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Croatia

Zagreb radio reports that President Franjo Tudjman and Alija Izetbegovic, president of Bosnia-Hercegovina, signed "an agreement on friendship and cooperation" on 21 July. "Stressing" the part of the agreement relating to military cooperation, Izetbegovic "said he hoped that this would help in ending the war being waged by the Serbian aggressors against our two countries. He added that if necessary, and if the war does not end, it will be possible to sign a new agreement on specific military cooperation between the two countries."

Czechoslovakia

Prague radio reports on an agreement signed on 23 July by Czech Prime Minister Vaclav Klaus and Slovak Prime Minister Vladimir Meciar. According to the document, "both parties will initiate legislation in the Federal Assembly on the delimitation of the Federal Security and Information Service in republics and on the transformation of federal television, federal radio, and the federal press agency into joint stock or other commercial companies."

Albania

Tirana radio reports that the Group of 24 is meeting in Tirana to assist Albania with economic aid. In reference to this meeting, Foreign Minister Alfred Serreqi stated: "I think that this meeting of the Group of 24 is highly important. It is a meeting that will prove that Albania's isolation is really at an end."

Berisha, Meksi Speak at Group of 24 Meeting

AU2307081992

[Editorial Report] Tirana Radio Tirana Network in Albanian at 1330 GMT on 22 July carries a 15-minute report by Zamira Koleci and Franko Egro on the opening of the meeting of the Group of 24 in Tirana.

Zamira Koleci describes the opening of the meeting, where "Albania is at the center of the attention" of the Group of 24. "President Berisha; Prime Minister Meksi; Frans Andriessen, deputy president of the EEC Commission; and high-level Albanian personalities are seated at the head of the hall."

In a recording of his speech of greeting, President Berisha states: "I wish on this occasion to assure you that the meeting of the Group of 24 held in Tirana and devoted to Albania's problems is an exceptionally encouraging and demanding day for us. I am convinced that this conference will give you the opportunity to concentrate on the case of Albania, while we are able to present our problems. We will also be able to inform you about what we are doing to solve these problems and will ask for your aid to support our present and future efforts on the road of the reform."

Zamira Koleci continues: "After pointing out some of the achievements of the democratic government since the start of April this year, such as the work to construct a law-governed state and a market economy, President Berisha explained the difficulties that have arisen as a result of the extreme savagery of communist rule, deep isolation, and the extreme poverty in Albania. This makes it possible to treat Albania as a special case, Mr. Berisha said. Talking about the EEC's aid, he thanked this organization for its generosity to Albania."

Berisha's recording continues: "We aim to revive our economy through radical reform as soon as possible. Thus, the more the international community uses the opportunity to help Albania today to move from emergency aid schemes to a medium and long-term plan for reconstructing the economy, the faster our economy will be able to stand on its own feet, and the less we will need to ask for assistance later."

Reporter Koleci continues: "Mr. Berisha later assured the Group of 24 representatives that we will use this assistance with care and prudence."

Berisha continues: "We wish to bring the economy out of its state of emergency, with the aim of coordinating the political victory of democratic forces with a market system that is necessary for economic development. Prosperity is the great aim of democracy."

Koleci continues: "Dwelling on the Albania's many opportunities and the wealth of its land, climate, mineral resources, oil, and relatively well qualified work force, [words indistinct] Mr. Berisha said that we are creating an attractive environment to encourage private capital, and are adopting legislation that makes concessions for and guarantees foreign investment. We are pursuing a policy that contributes to peace and stability. What we lack is capital and modern technology. The transition from a primitive command economy, Mr. Berisha continued, to a free initiative economy is very much more difficult that you might anticipate. Nevertheless, with your financial assistance and technical help, we hope that we will be successful."

Berisha continues: "Last but not least, I wish to stress that we need to learn. However, in general, Albanians are strong people who learn fast and work hard. I would therefore say that, if they were to go abroad under schemes of temporary emigration or as seasonal workers, this would give us the opportunity to learn faster, to earn money, and to alleviate unemployment, which would greatly contribute to stabilizing the situation in the country and carrying out the reform. Thus, we want Albania, by exploiting its resources and opportunities and with your help, to be able to surmount the grave economic crisis and the profound consequences of isolation, and to begin to make its modest contribution to the international community. In conclusion, I wish once again to thank you and to wish success to this meeting, which I hope will give new impetus to Albania's journey toward a market economy and a free enterprise society. Thank you very much."

Reporter Franko Negro then reports Frans Andriessen, deputy president of the EEC Commission, as saying: "The hardship and suffering now facing the people of Albania are intolerable, and that is why we are here today." "So far, the Group of 24 has helped Albania to the tune of $900 million, mainly in humanitarian aid and technical assistance. The message we want to send to the Albanian people is that we are ready to help them to confront the difficult economic situation." "The IMF, Mr. Andriessen later said, has reported that Albania will ask for $165 million in the next 12 months in order to cover its foreign financial debts. The Commission proposes that the EEC should give half of this sum as emergency aid. The grant of 35 million ECUs [Europeann Currency Units] has now been approved."

Zamira Koleci states that Prime Minister Meksi then "described the government program and its main guidelines for creating the foundations of a modern market economy."

Meksi states in a recording: "In less than four months, our government has reestablished the dominance of the law. Our parliament has advanced fast in determining the legal basis for our new, free, and democratic society. In fact, this week there will be a new round of nationwide elections, this time for local government authorities. However, even more, we are undertaking a basic reform in the public administration, so that its practices will be adapted to those of a civil society and a market economy. Our government has taken important steps to create the foundations of a modern market economy. We agreed with the representatives of the IMF on a powerful 12-month package of stabilization measures, including

radical expenditure cuts and tax increases, in order to reduce the budget deficit. There will also be reforms in prices, trade, the exchange rate, and the monetary system. We ask the countries of the Group of 24 to support our program [words indistinct]. Our stabilization program will be matched by radical structural reforms. We are determined to created an atmosphere in which private initiative will be the essence of economic activity, and in which the government will have only a basic regulatory role."

Koleci states: "Prime Minister Meksi then outlined the fields in which the help of the Group of 24 is necessary, including food. The agricultural sector has responded positively to price liberalization, but far from covers our needs for food. The second field is funds for production. Of course, Mr. Meksi said, we would never wish to remain depend on food aid. We place great hopes in the revival of the agricultural sector, which will respond to market prioces and greatly increase its productive capacity. While agriculture mainly attracts the attention of donors, the situation is quite different in the mining and industry sector, in which there is a major shortage of input. Since the start of 1991, most enterprises have suspended their work as a result of the shortage of raw materials or spare parts. It must also be admitted that a large number of these enterprises are extremely old and inefficient by today's standards. Most of them could not compete on an open market. However, we are obliged by the emergency and the social cost of the transition to use the equipment and installations that have remained in these enterprises. We must scratch the bottom of the barrel to bring ourselves out of this difficult period. The third field of aid is in education, health, and ensuring electricity and heating for the population. The fourth field is in the budget and the balance of payments. Since the start of the crisis, Mr. Meksi continued, our exports have greatly sunk. With a great deal of difficulty, we import a little beyond the aid that you have ensured us. We have great difficulty in even meeting our payments for international communication links, such as our air and telephone links. [words unmonitorable] the entry of international capital, even for short-term trading finance."

Meksi's recording continues: "As a result, we need your help, not only in the form of aid in food, raw materials, and humanitarian aid, which you have given with generosity, but to enable us to support a managed monetary policy and to import minimum quantities of the inputs necessary to set the economy in motion. We need an addition $162 million to support the balance of payments. According to the estimates of the IMF, besides what has been done so far, the demands for financing the balance of payments will reach $65 million for the period by the end of this year, and $100 million by 30 June 1993. As we have agreed with the IMF's representatives, our economic program depends entirely on the conduct of the reform. Our economic reforms have been decided in close cooperation with the IMF, the World Bank, and they will closely monitor them. Ladies and gentlemen, the river that we must cross is broad and turbulent. We need determination and the help of our friends to reach the opposite bank. We trust that you will help us to realize this."

Aid Efforts To Continue

AU2207212992 Tirana ATA in English 1239 GMT 22 Jul 92

[Text] Tirana, July 22 (ATA)—Continued popular acceptance and support for economic reform is crucial to attract outside assistance and investment where are necessary to develop and sustain the Albanian economy. Total assistance provided or committed so far by the G-24 [group of 24] and the World Bank amounts to 900 million U.S. dollars (726 million ecu) [EEC currency] of which almost 600 million U.S. dollars (480 million ecu) in grants and the rest mainly on a concession basis.

Of this large amounts are provided and committed in the form of basic food and emergency aid for a total of 375 million U.S. dollars (300 million ecu) more than 110 U.S. dollars per head. The community for its part contributes 143 million U.S. dollars, Italy 135 million and the U.S. 50 million, Greece additionally financed and undertook important programs for the Albanian refugees in their country. The utmost has been done to ensure that these supplies reached the population in good condition. A start has also been made to provide Albanian industry with the most urgently needed basic materials and spare parts and farmer with much needed pesticides, fertilizer and seeds to ensure the revival of the newly privatized agriculture and the continuation of industrial activity. 485 million U.S. dollars (390 million ecu) of the above mentioned total have been made available for these purposes and other forms of assistance (social,medical and technical). Italy has contributed dollars to these programs, the community 70, Turkey 55, Greece and Germany each around 40 and the U.S. 30 million.

In addition, now that negotiations between the Albanian Government and the IMF have been successfully concluded, the international financial institutions and the G-24 are mobilizing exceptional balance of payments assistance complementary to the assistance provided by the international financial institutions to support the economic reform programme of the Government of Albania. The community has already decided on a first grant of 35 million ecu (42 million U.S. dollars) for this year and envisages a further tranche for next year.

The G-24 meeting which was held here today was not meant to be a pledging conference, but a start of a constructive dialogue with the Albanian authorities and the international financial institutions to determine the most effective use of contributions and commitments the G-24 have made and are envisaging to make to support the restructuring of Albania's economy.

The participants agreed that two main problems confront Albania and its people today: How to overcome the

humanitarian and social problems caused by the breakdown of the economy how to revive this economy on a market orientated basis. The G-24 are aware that their assistance needs to adequately counteract these problems. For this reason, the Group of 24 concentrated, in the first place, on the continuation of humanitarian and emergency aid.

They decided to continue their joint efforts to help the Albanian people cover their food needs until the next harvest in 1993.

The G-24 therefore endorsed the action plan for agriculture, prepared by the community's PHARE programme [Economic Reconstruction Aid for Poland and Hungary] and the World Bank and indicated their willingness to continue and to increase the means for its fund in (Greece announced to make available 70 million U.S. dollars for the development of the agro-industrial sector). This integrated plan, covering immediate and medium term objectives accepted by the Albanian Government aims to create the conditions for more modern and efficient structures. It would thus constitute a concrete response to Albania's most pressing needs and future self reliance.

Furthermore, they agree to pursue medical, social and educational help.

Technical assistance programs are important to transfer knowledge for the effective operation of a market economy. Advice and training of the administration, the business community and social partners in market economic skills are being provided. To facilitate international communication the commission is prepared to extend to Albania its post graduate training programme of conference interpretation.

Finally G-24 endorsed the orientations for the global restructuring of Albania's economy, worked out between the Albanian Government, the international financial institutions and the EEC commission. Overall coordination on these orientations will continue within an [junk] group organized by the European Commission in close cooperation with Bretton Wood Institution and under auspices of G-24.

Specific follow-up will further consist of: We Regular re-assessment of future food aid needs in particular during the crop year 1992-1993 the implementation of the action plan for agriculture. [sentence as received]

Serreqi Assesses Meeting

AU2107123092 Tirana Radio Tirana Network in Albanian 1730 GMT 20 Jul 92

[Statement by Foreign Minister Alfred Serreqi in Tirana on 20 July—recorded]

[Text] I think that this meeting of the Group of 24 is highly important. It is a meeting that will prove that Albania's isolation is really at an end. We were isolated, or rather we isolated ourselves, and the course of history has meant that the world in a way isolated us too, and created a mistaken image of Albania.

At this meeting, besides the many prospects in the economic field and the presentation of Albania's economic opportunities, the most important thing is to present to the world Albania's real image, to show what kind of people we are, what sort of country we are, and what great resources we possess. The participants will realize that democracy is on the move in Albania, and is moving at a good, brisk pace. The results and successes on the road on which we have embarked are irreversible. It is the only possible road toward the realization of our goals.

Parliament Debates No Confidence Motion

Dimitrov Defends Cabinet

AU2207212692 Sofia BTA in English 2107 GMT 22 Jul 92

[Text] Sofia, July 22 (BTA)—At the end of today's sitting of parliament, which debated the motion of the Bulgarian Socialist Party (BSP) to vote no confidence in the cabinet, MPs [members of parliament] were addressed by PM [Prime Minister] Filip Dimitrov. He answered critical remarks levelled at the cabinet.

Far from being perfect, the cabinet, owing to the efforts of Finance Minister Ivan Kostov and other ministers, succeeded in curbing inflation. I think this is a good achievement, the PM said. Commenting on allegations about the cabinet's anti-social actions, Mr Dimitrov stressed that meeting incessant demands for pay rises would lead to losing control over inflation and a drop in real incomes.

Some people have done a lot to suggest the government opposes talks with trade unions and seeking socially-oriented decisions, the PM said. However, hardly anyone can expect the cabinet to always bend to demands running counter to the law, he said alluding to some trade union leaders.

Mr Dimitrov dwelt on the possibility of the emergence in the country of groups trying to rule beyond parliament, beyond the executive power and beyond institutions. As none would dare to openly oppose democracy, the only way these people can declare their stand is by trying to humiliate or frighten institutions, Mr Dimitrov said. If you are here to defend parliamentarianism, you should require me to counter these aspirations, he said.

The fate of the cabinet will be decided by a vote of the majority. You have to make it clear you will not allow mafia-like structures to develop in this country, Mr Dimitrov said rounding off his statement.

Politicians Present Views

AU2207204992 Sofia BTA in English 2004 GMT 22 Jul 92

[Text] Sofia, July 22 (BTA)—For over four hours today parliament debated the motion of the Bulgarian Socialist Party (BSP) to vote non confidence in Filip Dimitrov's cabinet. The motion will probably be put to the vote on Friday, July 24. Under the parliamentary rules of procedure, after debates MPs [members of parliament] have 24 hours for consideration. Prime Minister Filip Dimitrov and other cabinet members were present at the debates.

Socialist MPs criticized the cabinet for its "policy of confrontation, and its lack of programme accusing it even of failure to implement the election platform of the ruling Union of Democratic Forces (SDS) [no closing quotation mark as received]. According to Mr. Yanaki Stoilov, MP of the BSP, the cabinet's actions "make real and palpable" the danger of an undemocratic rule of force.

Socialists leveled criticism at the cabinet's economic policy. Production keeps declining, an unwarranted liquidation of production structures is underway, the cabinet absolutizes fiscal measures and is delaying the structural reform, socialist speakers said.

MPs Dimitur Yonchev and Rosen Karadimov of the Alliance for Social Democracy, a self-described reformist movement within the BSP, blamed the cabinet for failing to put an end to the process of accumulating shady capital, which is beginning to influence political decisions.

The motion to vote no confidence in the cabinet is doomed to defeat. It is amoral because you cannot make demands without proposing an alternative, SDS deputy floor leader said addressing socialist MPs. The negative trends in the Bulgarian economy are a legacy of the rule of Socialists, former Communists, he said.

The Chairman of the Parliamentary Budgetary Committee Ventseslav Dimitrov, MP of the SDS, accused the opposition of populism. We should take the occasion to praise the cabinet for succeeding to resist a socialist and labor pressure and not yielding to populism, he said.

The SDS cabinet will remain in power, yet I have to make some critical remarks, said Dimitur Sepetliev, the only MP of the third force in parliament, the ethnic Turks Movement for Rights and Freedoms (DPS), who took the floor. Speaking for "the center" he criticized SDS and BSP for trying to vilify each other.

SDS, together with DPS, achieved something unique, an alliance which enabled the country to embark on a new road after half a century under totalitarianism, Mr. Sepetliev said. He, however, said the cabinet could have prevented some negative trends in the economy. DPS expected quicker steps to dismantle the totalitarian structures, Mr. Sepetliev said. In his view many of the cabinet's errors are due to the lack of administrative experience.

Mr. Sepetliev criticized the cabinet and SDS for declining to consult their ally DPS in making decisions. SDS and DPS will remain allies because DPS does not want the country to go on the way it did for fifty years, he said.

The cabinet's point of view was presented by Deputy P.M. [Prime Minister] Nikola Vasilev, responsible for relations with trade unions, and Prime Minister Deputy on Economic Policy Ilko Eskenazi.

Zhivkov Arraigned for Economic Crimes

AU2207210892 Sofia BTA in English 1555 GMT 22 Jul 92

[Excerpts] Sofia, July 22 (BTA)—Former communist leader Todor Zhivkov was arraigned today in the case of Bulgaria's economic catastrophe. The investigative authorities ordered him into house arrest. Mr. Zhivkov,

81, was Communist Party chief between 1956 and 1989. He has been charged in two more cases: For the establishment of forced labour camps and for financial abuses benefitting third parties. [passage omitted]

The investigative authorities today remanded in custody Stoyan Mikhaylov and Chudomir Aleksandrov, former secretaries of the Central Committee of the Bulgarian Communist Party, on charges of providing financial assistance to foreign communist parties and movements. Back at the beginning of the investigation Prosecutor General Ivan Tatarchev said that all members of the top leadership of the Communist Party and the government between 1986 and 1990 will be arraigned in this case.

Former Communist Party Secretary Arrested

AU2307094492 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 23 Jul 92

[Text] This morning Mr. Emil Khristov, former secretary of the Bulgarian Communist Party Central Committee, was arrested. He, along with the others detained so far, faces charges of giving money and aid to fraternal parties and movements.

Zhelev Explains 'Disagreements' With SDS

AU2107090492 Sofia 24 CHASA in Bulgarian 15 Jul 92 p 6

[Interview with President Zhelyu Zhelev by Venelina Gocheva and Zhanet Dzhoneva; place and date not given: "Dr. Zhelev Says: 'The Communists Also Reformed the Country, But Without Broad Support; Therefore They Had Recourse to Terror'"]

[Excerpts] [24 CHASA] Mr. Zhelev, the institution of the presidency and you, yourself, have earned high points of approval in public opinion polls at a time when the popularity of parliament and the government is declining. How do you explain this development?

[Zhelev] I would not like to evaluate my own work—let the sociologists do that—but I will try to answer your question impartially.

The institution of the presidency is, more or less effectively, trying to be a nationwide institution and to defend the country's national interests, legislation, and public order. It is doing so irrespective of whether everyone likes it or not. This is presumably what the voters realize.

The government collects the fruits of the negative inheritance of previous cabinets. Any government that assumes the difficult task of implementing economic reform will hardly earn any applause.

Parliament, in turn, is the most drastic reflection of the deep rift that divides the nation today. The fact that its popularity is declining shows that people are tired of conflicts and extreme confrontations, or it is the beginning of such a process, at least. I repeat, however, that it is the task of sociologists and political scientists to interpret public opinion polls on political figures and institutions.

[24 CHASA] What did you have in mind when you called for national consensus, which provoked such a sharp reaction from the Union of Democratic Forces [SDS] Parliamentary Group?

[Zhelev] What I had in mind could be seen from the television interview in which I discussed this question. As far as positive and negative reactions are concerned, you had better ask those who are reacting.

Nevertheless, I would like once more to repeat that a nation cannot advance toward the future by constantly looking back at the past. It would inevitably stumble. Some people remind us that we should read the page of history before turning it. This is correct, but they forget that we should write a new page at the same time. This is our obligation and we should by all means do so.

[24 CHASA] According to some political commentators, your idea about national consensus was an attempt to find a new formula for your presidential administration. Is this true?

[Zhelev] Bulgaria is a parliamentary republic with a president directly elected by the people, but this does not mean that the president rules the country. As far as my obligations as head of state are concerned, I have always striven for acceptable solutions on the basis of principled compromises, without which politics ceases to be politics and turns into something else. [passage omitted].

[24 CHASA] Evidently, some disagreement exists between you and the SDS Parliamentary Group, despite denials on both sides.

[Zhelev] The SDS is a coalition that consists of different trends, currents, and ideologies. Contradictions frequently emerge within the coalition itself and there is nothing unnatural about it. Nevertheless, there are no disagreements about the basic principles. As far as contradictions, controversies, and disputes are concerned, yes they exist, and this is normal, in my opinion. This is political life as it truly is. Only in the graveyard are there no disputes.

[24 CHASA] On what issue does the head of state disagree with the policy of the ruling force and what is the source of the current disagreements?

[Zhelev] I disagree with extremist stands because they restrict public support and prevent an accelerated development of reforms. Reforms cannot be easily accomplished without broad public support.

Once upon a time the Communists also carried out reforms, but they did not have broad public support and therefore they had recourse to methods of terror and violence. They compensated for the lack of support with terror. We shall not allow this to happen. Therefore, I think that confrontation is unnecessary, and that the

social basis of a political force that is in the process of carrying out a reform should not be restricted. On the contrary, it should constantly expand.

These are the reasons for certain disagreements. As far as the source of the disagreements is concerned, we could find it in the opinion that the president of a parliamentary republic should preside over rather than rule the country, irrespective of the fact that he was directly elected by the people and that the Constitution assigns him the role of head of state, of Armed Forces commander in chief, and other such functions. Regardless of the many shortcomings of the new Bulgarian Constitution, it, nevertheless, clearly defines the prerogatives of the major state institutions.

[24 CHASA] Mr. Zhelev, the official organ of the SDS, the daily DEMOKRATSIYA, even tried to give you some unwarranted advice. The same newspaper asked you some public questions, but, reportedly, you had no time to answer. This is certainly not part of the "friendly" feelings, do you not agree?

[Zhelev] I also have many questions, namely questions of principle, to ask the editorial board of the official organ, but I do not publish them in the print media, although I have this opportunity, because independent newspapers already exist in our country, thank God.

[24 CHASA] Do you except the criticism that your position on one or another event is not clear and categorical. Could this attitude be called a mere attempt of trimming between the political forces?

[Zhelev] I have always adopted a clear and categorical stand and there can be no question of trimming. I just said that a policy without compromises is impossible. Extreme stances in politics are not always the correct ones. I would even say, they are usually incorrect!

Political life is a sphere in which many interests interfere with each other. Sometimes they even mutually exclude each other. The greatest skill is to find a balance between them on the basis of a principled, but sensible compromise. In the opposite case both sides may be the losers.

[24 CHASA] Under which circumstances are you inclined to assume a more resolute stand?

[Zhelev] If you expect me to bang my fist on the table, this will not happen. That is not politics, it is diktat, which easily results in dictatorship. I am not partial to this form of government because I am perfectly aware that it leads nowhere.

I would permit myself to assume a harder attitude only under extreme circumstances, after all other means have been exhausted.

[24 CHASA] How do you intend to resist parliament's attempts to cut down your presidential prerogatives on a legislative basis?

[Zhelev] By constitutional means. [passage omitted]

[24 CHASA] We know that you have met various political forces on the subject of the notorious police files. Mr. Dogan, for example, requested the opening of the former Secret Service's Sixth Deparment files. Various SDS groups are proposing different options for solving this problem. What does the president propose?

[Zhelev] I must admit that I am already bored with the subject. I have said on numerous occasions that I resolutely advocate the opening of the files. Nevertheless, I changed my mind somewhat after the commotion caused by this act in the former GDR, Poland, and Czechoslovakia.

On this point I would like to cite Adam Michnik's statement that to open the police files of the recent past today means to throw a grenade in a cesspool. Everyone would be soiled. In addition to the culprits, the innocent would also suffer and be slandered. It is a very difficult question. very difficult. The Sixth Department was virtually the political police, but the services of its employees were also used by other departments whose activities are related to national security.

Moreover, the functionaries of the other Secret Service departments worked for the Sixth Department as well. In addition to this, much time has elapsed and I presume that numerous documents have disappeared or were hidden to be used for the defense of various people's interests.

[24 CHASA] To what extent can we believe the rumors that the SDS executive power got rid of people whom the president appreciates in particular, such as Mr. Ludzhev?

[Zhelev] I think that my differences with the government are being exaggerated. As a matter of fact, I recently worked with the foreign affairs minister at several international conferences. The problems are so numerous that several governments and even more cabinet members will be required to solve them.

There should be a higher level of political culture in public life, generally speaking. If someone resigns from a post today, it does not mean that he disappears from the political scene forever. We should not consider him a pariah. [passage omitted]

HZDS, ODS Leaders Discuss 'Power-Sharing'

LD2207221292 Prague CSTK in English 1700 GMT 22 Jul 92

[Text] Bratislava July 22 (CSTK)—The fifth round of talks between delegations of the Czech and Slovak election winners, the ODS [Civic Democratic Party] and the HZDS [Movement for a Democratic Slovakia], opened here tonight.

The ODS delegation is headed by Chairman Vaclav Klaus, Czech premier. Its members are Josef Zieleniec, Miroslav Macek, Josef Kovar and Frantisek Houska.

The HZDS delegation is led by Chairman Vladimir Meciar, Slovak premier. Its members are Milan Knazko, Michal Kovac and Augustin Marian Huska.

Knazko told journalists the two delegations will discuss power-sharing between the federal and republic (Czech and Slovak bodies). Also to be discussed is the Federal Security and Information Service (FSIS).

The ODS and HZDS spokesmen, Jiri Schneider and Bohuslav Geci, told journalists their parties' leaders will discuss the constitution of federal bodies and clarify their views on the future form of Czechoslovakia's state setup.

Geci said "the HZDS is ready to discuss the state setup and will not put forth concrete demands for filling the posts of the directors of the FSIS, Czechoslovak television and Czechoslovak radio".

The ODS-HZDS talks in Bratislava are expected to last till late at night and a press conference at their close will probably held in the small hours on Thursday, Czechoslovak television reported.

At a briefing, HZDS spokesman Bohuslav Geci said that the delegations have discussed proposals to transform federal television and radio into institutions serving the public. Both republics, the Czech and Slovak, will have parity representation in the two federal mass media's managements, Geci said.

The ODS and HZDS delegations recommend that the press agencies - the Czechoslovak Press Agency (CSTK) and the Press Agency of the Slovak Republic (TK SR) - work on a commercial base, Geci said.

ODS spokesman Jiri Schneider said the two delegations also spoke about the Federal Security Information Service (FSIS). The FSIS should be more operative and should be better controlled by the Federal Assembly (Parliament).

Geci said the delegations also discussed the 1993 budget. "The federal budget will not have its own revenues, but only revenues from the (Czech and Slovak) republics".

Meciar, Klaus Comment on Talks

LD2307005992 Prague Stanice Ceskoslovensko Radio Network in Czech 2205 GMT 22 Jul 92

[News conference by Vladimir Meciar, Slovak prime minister and chairman of the Movement for a Democratic Slovakia, HZDS, and Vaclav Klaus, Czech prime minister and chairman of the Civic Democratic Party, at the Slovak Government office, moderated by HZDS spokesman Bohus Gecy, with foreign and domestic correspondents; Meciar speaks in Slovak—live]

[Excerpts] [Gecy] Ladies and gentlemen: Allow me to welcome you to the concluding news conference for the fifth round of talks between the Civic Democratic Party [ODS] and the Movement for a Democratic Slovakia [HZDS]. Allow me to introduce all those present here: ODS Chairman Vaclav Klaus and HZDS Chairman Vladimir Meciar; guests Mr. Jozef Zieleniec, Mr. Jiri Kovar, Mr. Miroslav Macek, and Mr. Frantisek Houska; and HZDS Deputy Chairmen Milan Knazko, Michal Kovac, and Augustin Huska. First, if you allow me, I would like to ask Mr. Klaus to take the floor.

[Klaus] We already agreed on the first speaker.

[Gecy] So it is Mr. Meciar who will take the floor.

[Meciar] Ladies and gentlemen, we have interrupted the delegations' deliberations to brief you on the current situation. We will continue; our work will most likely end early in the morning. We divided the deliberations into several blocks. After a considerably difficult search for points of departure, we arrieved at certain common conclusions.

I would like to point out that all our deliberations have the character of political agreements, meaning that we will initiate the processes in the legislative assemblies and governments; we are not, however, replacing the right of these assemblies to make decisions.

The first sphere of problems to solve were the so-called other central organs of the state administration which have so far been registered and are carrying out their activities. We talked with the goal of finding a significant solution so that it might comply with ideas on the future arrangement of mutual Czecho-Slovak relations as well as the position of these institutions [word indistinct].

Above all, we tackled questions connected with the activity of the Federal Security Information Service [FSIS]. We arrived at the conclusion that it is realistically desirable for this component to be divided so that republican components will emerge to perform the activity of collecting information for the benefit of organs of both republics. Following that, the FSIS in its present form would cease to exist.

We then resolved questions connected with the activity of Czechoslovak Radio, Czechoslovak Television, and the Czechoslovak press agency. On the basis of bilateral consent, we will initiate a process through which these

institutions will change and be transformed into stock and share or other similar types of companies. The property of Czech and Slovak Television, Czech and Slovak Radios, and both press agencies will be involved. Questions on arranging this change and the manner of transformation are matters for the legislative process.

Both sides expressed the desire to terminate the activities of the Czechoslovak Academy of Sciences and the Czechoslovak Academy of Agriculture.

We also agreed that under the new conditions it will be necessary to reassess the powers, standing, and other commitments of the prosecution general in its current legislative form, and through the mediation of the legislative department of the Federal Government, to motivate bodies of the Federal Assembly to reassess the complexity of relations and issues connected with the activities of this institution.

We discussed the issue of support for nuclear programs and the commission engaged in these activities, which, according to our preliminary agreement, will remain in effect as they are at present with the stipulation that the research component will be separate from state administration and managed according to different regulations.

We also discussed the activities and programs of several other institutions which are shared at present, coming to the conclusion that there are institutions like the Institution of Measurement, in which one cm has the same value in both republics, and which also deals with the issue of protection of discoveries and inventions etc. Where there is bilateral interest in continuing to support the activities of these institutions in the coming period, we decided to preserve their activities for mutual benefit. [passage omitted]

We also discussed a second sphere of issues concerning further procedures in the process of transforming the federative setup into a different kind of structure. We want this process to be checked the whole time. We do not want it to get out of control, and we want to secure legislative guidance of this process. Chairman Klaus will tell you about that.

[Klaus] So the second sphere of our talks, growing out of the real situation in Czechoslovakia, concerned our state structure. We assessed the real trends which exist, and the conclusions are clear to us in this sense. I would like to underline what Chairman Meciar said: These are proposals for initiatives in the legislative assemblies, not an attempt by representatives of these two political parties to solve these matters.

Our basic thesis is to attempt to achieve the legitimacy of the process of disintegration of the Federation. That is a very important thesis for us and we plan to do our utmost to observe it.

In the Federal Assembly we will jointly initiate the law on the manner of terminating the Federation and on settling property and other issues. We will try to advance according to this concept of the law. That is very, very important.

Naturally, we also discussed variants which could occur if this procedure is not successful, if we do not succeed in forcing the adoption of this bill through the Federal Assembly, after which we could say that we had made a mutual pledge to maintain peace, smoothness, a regulated character, and alternative processes in the termination of the Czechoslovak Federation.

We agreed that we should try to propose in both National Councils that an agreement be reached on this policy. We also agreed that the Federal Assembly would prepare this law, carry out the transformation of all Federal organs and the transfer of powers, and prepare principles for draft proposals on the future relations of both republics, to be utilized in the National Councils. The National Councils should then adopt constitutions and prepare cooperation agreements.

That is yet another bloc of our discussion—talks on connected agreements between the Czech Republic and the Slovak Republic for the spheres which are in the interests of both republics. It is necessary that this ground be prepared and not left up to some accidental belated solution. We discussed a total of four spheres in this sense: general civics, foreign policy, military policy, and economics, naturally. Chairman Meciar will tell you something about the first three and then I will say something about the economic sphere.

[Meciar] In assessing the prospects for coexistence between Czechs and Slovaks, we came to the conclusion that it is necessary to again define the importance of this coexistence and the range of interests that unite us. We have agreed that we will work on the range of the so-called minimum common denominator; that is, minimum common interests.

On the basis of this we divided the whole block into four areas. The first basic area concerns the so-called human dimension: protecting the rights of citizens of one republic on the territory of the other. Here we came to the conclusion that it is necessary to preserve the equality of the rights and duties which will be guaranteed, some of them directly by common agreements and some through execution decrees [vykonavaci akt]. This of course does not automatically mean equality in everything; for instance, social and other consequences must be guaranteed by agreements. But the fundamental principle of the nonviolability of a citizen's status and respect for the citizen of one republic on the territory of the other will be preserved. Any doubts in this respect are unnecessary. The possible instability we were facing was averted by this step. It is a complex problem because we have to resolve not only the issues of the right to work, for instance, but also the right to social benefits, old age pensions, etc.; that is, problems that could emerge later as a consequence of the free movement of citizens.

The second area of problems we discussed were foreign policy issues. Provided that both units, or both republics, will exist as two subjects of international law, we see a realistic chance to coordinate foreign policy in such a way that we can act in a coordinated manner. We also see a realistic possibility of some representative bodies carrying out duties for the benefit of both republics. Where the concept of state is important, for instance in the case of the Twelve or similar bodies, both republics are interested in joint representation. We have also touched upon the issues of honoring agreements, succession, etc., but these things will be resolved by a Federal Assembly bill which will establish guidelines on how to solve these obligations in terms of succession.

We have also discussed issues of common defense. Our main starting point here was that this issue is not just a matter of the means of power. It is, first, an issue on the technical means that make up the common defense and quite a complicated process. The developments occurring here should not lead to a weakening of or damage to the defense interests of either republic. We have therefore agreed that if D-day—the day of the split—actually happens, no big bang will occur, nor will there be any large movement of troops or any other consequent activities on this territory. It is in our interests for the course of action in this sphere to be agreed on and closely coordinated. Both sides have reserved the right to return to the problem of the defense doctrine and defense organization at some other more detailed round of talks.

I will ask Premier Klaus to inform you about another area.

[Klaus] Another area is that of economy. Here I can say that we have more or less agreed that very close contacts will be established on three levels. The first is the creation of a customs union between the Czech and Slovak Republics; the second is the creation of a free trade zone for goods and services; and the third level is the creation of a zone in which the free movement of production factors—labor, money, and capital—is allowed. We think that it would be against the interests of both republics if these zones or unions were not created. We do not think that there will be any fundamental dispute or problem in this area. Of course, in reality this will involve many technical details which will slightly complicate this conceptually simple problem, but at least we do not anticipate any problems from the conceptual point of view.

The fourth area, which is slightly less clear and which, it now seems, will have nothing to do with a zone or a union but rather a process of coordination, integration etc., is the creation of a space for the process of coordinating and integrating the area of taxation and monetary policy. Here we want to create a body that would have a certain similarity with our current financial councils or something like that, where we would try to coordinate or harmonize actions, or simply try to do so. In any case, we cannot suggest here that this is a zone or union of a common taxation or monetary policy. The degree of integration will be even less than in the previous three areas.

Finally, the fifth and last area—even more complicated—is the area of a monetary union or single currency, which requires a globally identical budgetary and fiscal policy. We were not able to come to any final solution on this issue. It is not possible to make any promises on this, and it will be the subject of further research and discussion.

As far as the first three areas are concerned, there seems to be no dispute. The fourth area is one of a process, and the fifth is an issue which needs to be discussed further. I think these are the basic points we reached today. In our common view, I think, this is again an important step, demonstrating an ability to find realistic solutions, an ability to prevent a deadlock which leads nowhere. We believe that we will be able to implement these agreements since they are in the interests of all of us.

[Geci, in Slovak] Thank you very much for your introductory statements. I will now ask you to ask your questions, ladies and gentlemen. The television representative.

[Unidentified television correspondent] [words indistinct].

[Meciar] As for the date 30 September 1992, we think that many of the processes which are being transferred to the Slovak National Council [SNC]—the issue of the adoption of the Constitution, the search for initiatives—could be shortened and accelerated in some aspects. The process of agreeing on future steps could also be accomplished faster. The Czech National Council and the SNC should, in a mutual search process, start preparing an agreement which would allow a certain basic point of departure for the further quality of coexistence. They can work on that. In this respect, the date 30 September is too early. It is not possible to do that in such a short time. [passage omitted]

[Klaus] Yes, we think that this whole process should be agreed on and eventually approved, developed, improved, and refined in the National Councils even by 31 August, a month earlier than the mentioned date. On the contrary, we think that the law on the termination of the Federation and the settlement of property and other issues could be adopted by the Federal Assembly by that original 30 September deadline. In this sense it is obvious that we again have some orientation dates which we would like to meet.

[Czech Radio correspondent] Gentlemen, I am interested in knowing if you agreed on a certain harmony in adopting republican constitutions and if you think that by adopting these constitutions the Federal Constitution will automatically cease to exist. A second question, if I may ask, is if you know about any projects on privatizing Federal Television and Federal Radio. I am curious about what you think of them and if you see any future in this particular solution. Thank you.

[Klaus] We can reply easily. If we wanted, by virtue of one or the other or the third constitution, to predetermine all the others, we would not be able to agree on what we have agreed on. We do not think that a victory of one constitution over another would lead to any kind of a sensible solution. That is why we proposed that a Federal Assembly law on the cessation of the Federation be created to solve this question and to offer possibilities on how the Federation could cease to exist in a legitimate way. One of the alternatives, for example, could be that this law will propose that the republican constitutions negate the Federal Constitution. But that is only one of the many alternatives that we discussed here today. So it is actually the opposite: This law should predetermine the above alternatives.

As for radio and television, it is not a case of studying the alternatives, but we know about them and we think that it is possible to proceed to a certain extent within the framework of the transformation processes in both these institutions.

[Unidentified correspondent] This is my question: You both said that a Federal Assembly law will be initiated on the manner of terminating the Federation. At the same time you did not mention that a referendum would be called. Does this mean that citizens will not have the opportunity to express themselves on the manner of terminating the Federation or on the future state relations between the Czechs and the Slovaks?

[Meciar] So far we have worked on the basis of the existing legal state, where only the constitutional bill on the referendum talked about the cessation of the state. It assumes only one method which is constituted by a unilateral action; that is, a referendum on the territory of one of the republics. In that case, however, the question of succession is disputable. In other words, the questions of the manner of cessation and succession are inseparable; if we want to prevent the rise of a spontaneous process, we think that both should be solved by one common law.

The referendum has not been rejected; on the contrary, it assumes that there will be at least two forms of cessation by means of a referendum—a common referendum on the territory of both republics, or a referendum conducted only on the territory of one republic. In all these forms, however, we will have to choose on a equality of consequences so that neither of the republics feels it is in a position for a better point of departure through succession. We talked a lot about a referendum from the point of view of democracy of forms and other things. It is a process which first has to be determined by the law. The policy then concerns the matter of a political agreement or the choice of one of the republics.

[Klaus] I would like to add something. We have decided—or at least it seems this way, and I think it has been brought up during the discussion—that the law on the termination of the Federation can have two forms. The first would be that the Federal Assembly could decree how this should be done. The second alternative, if there is not a sufficient consensus, could be that the Federal Assembly will offer alternative forms of termination. We can imagine—this also ensued from today's discussion—four basic forms of termination. One is a pertinent declaration by the Federal Assembly; the second is a mutual agreement by the National Councils; the third is a referendum in one or the other republic; and the fourth is the secession of one of the republics by the decision of its National Council. Should this solution be chosen, then it would be possible for this law to legitimize the application of any of these alternatives.

[Geci] Thank you. Next question.

[German Television correspondent] Nobody in West Europe understands today why the Slovaks and Czechs want to separate at a moment when the Council of Europe is trying to abolish states. Doesn't the example of Yugoslavia frighten you?

[Meciar] It is precisely the example of Yugoslavia which is making us cautiously weigh how to regulate the whole process, to avoid uncontrolled developments, and not to jeopardize the so-called vital interests of one republic or the other. As a consequence of the process which is taking place—and which started independent of our will—and a long-term process which is culminating today, we are trying to find a form of regulation which will exclude a Yugoslavia. This is a mutual, and firm resolution.

At the same time, the issue at stake is changing the quality of coexistence to a different form. The process in Yugoslavia excluded such a new form, while we both have a mutual interest in finding it. That is the difference, and that is why I think that comparisons with Yugoslavia are out of proportion, even more so since we are aware of the processes which led to the developments in Yugoslavia; these processes are not at all evident on the territory of the Czech and Slovak Republics.

I would also like to answer your first question. Why are we responding to this process when Europe is uniting? A united Europe is a Europe of states, and it is possible to integrate with it either as one subject or as two. It is this new quality of European integration which is one factor, among others, leading to the wish to integrate ourselves as two subjects. This means achieving equal representation and good partnership. Therefore the model which we are trying to create should be a model which corresponds with the future integration of Europe. This means that it would already be on a qualitatively higher level. That is how we see the issue for both republics over the next few years.

[Klaus] I basically agree.

[Unidentified correspondent] Should the Federal Assembly pass the bill on terminating the Federation, what role do you see the Federal Government playing after 30 September? Could it become, for example, a

kind of liquidation committee which would oversee the division of Federal property?

[Klaus] It could, but I must say that the work of the Federal Government was not the main topic of our talks today. We were concerned with finding the best course for this process of terminating the Czechoslovak Federation; it is clear that if it is not ended, there will be a role for the Federal Government. There will be a great number of issues—division, liquidation, succession, and others. There is no danger at all that the Federal Government will be out of a job.

[NARODNA OBRODA correspondent] It is clear that we are already talking about the disintegration of the common state. Can you tell me what the IMF has to say about that, as well as the representatives of the European and World Banks?

[Klaus] Since I often talk with representatives of these institutions, I must say that these institutions, as opposed to some other foreign observers, understand the actual situation in Czechoslovakia very well. They know very well the forces, motives, and reasons leading toward the current development in Czechoslovakia. That is why they accept this development as reality. I think that they accept it and that it will certainly be easy to agree with them, particularly if the entire process of agreeing with them on continuing our previous relations is as calm, peaceful, and smooth as we are trying to make it.

[Unidentified correspondent] Was the result of your talks, or the approach to the talks, influenced by Federal Prime Minister Jan Strasky's idea on the declaration of the Czech Government, to the effect that, in case of disintegration, the Czech Republic would assume the Slovak share of the CSFR's debts?

[Meciar] That was not a topic in the talks. To prevent similar doubts, which give rise to mistrust on both sides, we are initiating a draft Federal bill, which should become constitutional law, on the manner of cessation and the consequences. A lack of clarity in these steps, or a lack of clarity in future attitudes, could start an uncontrollable avalanche.

In saying that this Federal bill has several (?sections), it is then a matter of district policy and practice—either an agreement by both sides or by one of them—how they will proceed in this case. This proposal, this initiative, and the search for other solutions are aimed at avoiding the several points at which crises in the highest organs could arise.

The future succession is not merely Mr. Strasky's concern; it is also our concern. Extensive property values are involved, and one has to solve property values not only in relation to the future coexistence arrangement but also in relation to future budgets. We would like to prevent all this and to regulate it culturally. We have learned from developments in other states that ignoring these matters leads to crises.

[Unidentified correspondent] How do you think the talks will proceed from here?

[Meciar] Basically, in the next stage, we will specify what we have told you in a written agreement which cannot be doubted. It will then be given to the media, our deputy clubs in the Federal Assembly, our national councils, and members of the Federal Government. Similarly, members of the government [as heard] and other parties in the parliament will be acquainted with the agreement so they can be informed about the content of the talks. In effect, I can say that we are beginning to reach agreement on not only preventing a chaotic and uncontrollable development of events but also on building a rough structure of a new form of home in which it will be possible to live. [passage omitted]

[MLADA FRONTA DNES correspondent] You have failed to find an optimal variant in terms of monetary policy. Could both prime ministers briefly express their attitudes or views on the currency issue and explain the problem or dispute in the two attitudes?

[Klaus] This is not a issue of disputes. It is a matter of our uncertainty—I would even say of our common uncertainty—over whether it is possible or even purposeful and necessary to ensure fundamental unity in the budgetary, fiscal, and financial policy of both republics. Since we are not sure about this, it would be irresponsible and cheap to say that we are able to easily preserve, for the time being, a single currency.

I do not think that there is a dispute between us on this issue. It would be very premature to say anything significant about how we could create a financial and budgetary policy in the future. Naturally, all processes in this area must occur in such a way that the savings of the citizens in both republics are 100-percent protected, so their savings are in no way devalued. Both sides consider this a must, a starting point for the whole process in this area. As far as enterprises is concerned, it would be obligatory, even if a single currency could not be maintained, for the agreements on relations between the two states to contain from the very beginning an agreement on a rational payment union that would ensure smooth payments as well as the flow of goods across—I have to say it—borders. [passage omitted]

[Meciar] I agree with Vaclav Klaus.

[RUDE PRAVO correspondent] I would like to know if you discussed an approximate date for the end of the Federation.

[Meciar] We have, and at the same time have not, discussed this subject. It is an uncertain process. First, it depends on its legislative form. Then it will depend on a joint course of action, which will be either an agreement by both political parties or the result of individual or one-sided steps by one republic or the other. [passage omitted]

[Klaus] You want to hear some dates, but we have already given you some. We told you that we would like the Federal Assembly to pass the bill on the end of the Federation by 30 September. This is one important date, if it is realized. We cannot conceal the fact that the second important date is 31 December 1992, the moment when, logically, the 1992 state budget ceases to be valid, and with it the previous budgetary policy. This is no doubt a very significant moment in this whole process, whether we like it or not. It is an important date ahead of us.

[Geci] Ladies and gentlemen, thank you for coming to the news conference.

Agreement Signed

LD2307101692 Prague Stanice Ceskoslovensko Radio Network in Czech 0900 GMT 23 Jul 92

[Text] Vaclav Klaus and Vladimir Meciar, chairmen of the victorious political parties, signed an agreement in Bratislava today on the further activity of federal bodies. According to the official wording of the agreement, both parties will initiate legislation in the Federal Assembly on the delimitation of the Federal Security and Information Service in republics and on the transformation of federal television, federal radio, and the federal press agency into joint stock or other commercial companies.

The delegations also agreed in Bratislava on the next course of action in the development of the state setup. Both sides will try to ensure the legitimacy of the processes of the cessation of the Czechoslovak Federation. In the Federal Assembly, they will push for the assembly to adopt a law on the method for the cessation of the federation and on the settlement of proprietary and other relations by 30 September this year. They will try to assure that the course of action is in line with this law.

Both sides also pledged to contribute in both the Czech and Slovak National Councils to the finalization of the debate on the constitutions of both republics. They will try to ensure that the national councils and governments start preparing without delay the agreements between the two republics on mutual relations in those areas where common or coordinated resolutions are in the interests of both republics. Delegations by the Civic Democratic Party and the Movement for Democratic Slovakia also agreed on the principles for future cooperation of both independent states.

In the economic sphere, both parties will support the immediate conclusion of the agreement on a customs union and on a free commodity and service trade zone. They will also support the establishment of a joint institution for the coordination of the tax and currency policies of both countries and will seek ways of a possible coordination of budgetary policy, which is an inevitable precondition for maintaining a common currency. If this does not succeed, the separation of the currencies must not lead to the devaluation of citizens' savings in either republic. The separation of the currencies will be partially compensated for by the creation of a sensible and efficient payments union.

Both sides will base their course of action on the effort to ensure, to the maximum possible extent, the equality of the status of citizens of one republic on the territory of the other republic. Both parties have also agreed to coordinate the joint course of action in foreign policy.

Czech Government To Draft State Constitution

LD2207170992 Prague Stanice Ceskoslovensko Radio Network in Czech 1500 22 Jul 92

[Text] Before his departure from Prague, Vaclav Klaus said that the Czech Government was preparing for its own independent state in response to the declaration of the sovereignty of Slovakia. After today's session of the Czech cabinet he stated that it was necessary to prepare all the institutions needed for the assurance of the functioning of the future Czech republic.

Deputy Premier Jan Kalvoda announced at the press conference that the Czech Government has decided to prepare the constitution of the independent Czech Republic.

Carnogursky, Weiss Comment on Referendum

LD2307094692 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 22 Jul 92

[Text] Referring to the open road of the state establishment talks mentioned by Czech Prime Minister Vaclav Klaus, Jan Carnogursky, Slovak National Council deputy, said that the Christian Democratic Movement has tried to implement this in the past two years, but has had to settle for partial results and compromises. In his opinion it is currently difficult to search for an open road since the victorious political parties have created an atmosphere of distrust in Czech and Slovak relations. Responding to Vaclav Klaus' statement that a referendum is only one of many possible solutions to the state establishment issues, Carnogursky said—quote—the Civic Democratic Party and the Movement for a Democratic Slovakia's dislike for the referendum became visible, for example, last 16 July in the Federal Assembly when we proposed putting the referendum on the agenda. These two parties refuted the proposal and refuted any debate on a referendum by the Federal Assembly. It is clear that both parties consider the referendum as a dead issue and are creating circumstances to push the referendum aside. The policy of both parties is clearly tending toward state division, although it is the citizens who should decide on a possible division through a referendum—end quote.

Peter Weiss, Democratic Left Party chairman, responded to these issues by saying—quote—the only way is the constitutional way. This is the method of political agreements that will respect the interests and opinions of citizens of both countries, not those of the two victorious parties. I do not

see any problem in amending, if need be, the act on a referendum allowing for a different question or changing the decree regulating the implementation of the referendum act so that the result of a popular vote allows for a more general interpretation. I do not agree with the opinion that the referendum is only a subsidiary matter. Neither do I understand victorious parties' fears of a referendum by claiming that voters supported state establishment questions [as heard]. The citizens have a right to decide on the form of the state and a right to cooperate in the political decisions that will have a long-term impact on our lives and fates. That is democratic. I consider Vaclav Klaus' rejection of the referendum to be an expression of his fear of possible political defeat in case the state establishment concept promoting speedy state division does not get backing in the referendum. Moreover, I consider it an expression of the fact that Mr. Klaus does not have majority support in the Czech National Council enabling him to adopt the Czech Constitution and constitutional laws without agreement with other political parties—end quote.

National Security Adviser on Regional Situation

AU2107135992 Budapest NEPSZABADSAG in Hungarian 20 Jul 92 pp 1, 6

[Interview with Csaba Ferencz, national security adviser to the prime minister, by Peter Vajda and Istvan Zalai; place and date not given: "A Further Destabilization of the Situation Is Possible, the National Security Adviser Says"]

[Excerpts] [passage omitted] [NEPSZABADSAG] You seem to be trying to draw some general conclusions from the situation of the region. We must ask if you are afraid of a "Hungarian Vatra Romaneasca."

[Ferencz] Not really, because the Hungarian nation has proved to be extremely wise, although our society has to endure very difficult social burdens. The burden on large sections of our society is becoming intolerable, but our nation is enduring this with patience. Rather than being preoccupied with thinking about strikes—although there have been some attempts at this—it is struggling to stand on its own feet. This kind of moderation also appears in our neighborhood, for example, in the Czech lands and Moravia. Certain aspects of this can also apply to Poland, but the national overtones are stronger in Slovakia. I do not think that Hungary is immune to such movements.... We ourselves are trying to pay attention to this and, as far as I can see, the competent political forces and the mass media have a very similar view on this situation. [passage omitted]

[NEPSZABADSAG] You have made it clear that you would like to be optimistic, but you can imagine other scenarios for Yugoslavia and other countries. Can you imagine a situation in which some kind of Iron Curtain would again be built around our borders?

[Ferencz] No.

[NEPSZABADSAG] Not even in a figurative sense?

[Ferencz] Not even then. The old status quo has basically ceased to function. Naturally, in the current situation, bad scenarios that might be performed definitely increase the dynamics of the region.

[NEPSZABADSAG] What does this mean?

[Ferencz] This means that much more unsettled and dangerous conditions can arise around us. It is possible that the situation continues to become less stable and the chaos increases, but even this would not bring about stiff opposing fronts that would result in closing the Iron Curtain by us or anyone else. It is possible, however, that the very much destabilized areas of our continent will be left out of the process of European integration. This is a general security risk and our own risk, because it affects a large mass of the Hungarian minority. Therefore, we are interested in all our neighbors' being able to meet the conditions of European integration and join the process as soon as possible. We are working for the implementation of good scenarios, and the government is rather actively trying to find the adequate partners and create a dialogue. We do all we can to help stop the fighting in our region and curb aggressive forces.

Naturally, Hungary does not have direct means, for two reasons. One is that for historical reasons, the appearance of even one Hungarian person as a UN soldier in Bosnia or Slavonia would be extremely unfortunate. This is simply out of the question, and we have to recognize the historical sensitivity in the region. The other reason is that, considering its size and armaments, the Hungarian Army is a small force; therefore, military confrontations, where the defense of the country would require very serious sacrifices, must be avoided even in the case of a provocation. [passage omitted]

[NEPSZABADSAG] Looking back, do you think that the Hungarian Government's expectations from the Visegrad cooperation were illusions? Is Visegrad dead?

[Ferencz] No, it is not dead at all. Although it is very likely that the Czech lands and Moravia will separate from Slovakia, let us not take this as final yet. The chance of staying together is still more than a few percent.

To return to the problems. Indeed, there are very many problems with Romania. I think that this does not depend on us, and we do have working relations in many areas. All in all, following the events in Marosvasarhely [Tirgu Mures], and lately, after the astonishing statements made by the Kolozsvar [Cluj] mayor, the problems have indeed come to the forefront. This can also be seen in areas like border crossings.

The situation is also difficult in the south because there is no guarantee that the persecution that began in Slavonia and continued with the removal of Bosnia's non-Serbian residents will not continue in the Vojvodina where many hundreds of thousands of Hungarian minority members live. This would be an extremely heavy burden, both intellectually and practically. We wish to avoid this by all means, and we do see the possibilities for this, although we do not have guarantees at the moment.

[NEPSZABADSAG] Are the Vojvodina Hungarians hostages to Budapest's foreign policy?

[Ferencz] No, we cannot put it this way. Their position is very difficult, but an ethnically fueled war is going on there. A determined, well-thought out, and adequately balanced series of international actions would be useful for the Hungarian minority. Unbalanced actions can cause problems for the Hungarian minority and cannot ensure a lasting solution, either.

[NEPSZABADSAG] What do you mean?

[Ferencz] Everything, even military pressure, can be used rationally and even an ill-considered political declaration can cause damage. If we look back, we can see the consequences of the declarations made by the superpowers and alliances—led by the desire to preserve

stability—on wanting to keep Yugoslavia's unity. Ultimately, all these were almost equivalent to encouraging the action first, against Slovenia and then the continuation. I just wanted to indicate that in this extremely sensitive situation—the result of national historical memories and social tensions—all actions and declarations in this region must be carefully considered. [passage omitted]

Army To Draft Reservists for Defense Brigades

LD2107191192 Budapest MTI in English 1521 GMT 21 Jul 92

[Text] Budapest, July 21 (MTI)—The Hungarian Army is to set up several defence brigades to bring the country's defences into line with long-term army modernisation plans.

The brigades, to be used only in a possible mobilisation, will conscript reservists to fulfil defence tasks near their bases.

About 1,200 reservists in Nyiregyhaza (NE Hungary) and Cegled (central Hungary) will receive their November draft this month, Lt. Col. Lajos Erdelyi, Defence Ministry spokesman said today.

The first brigade, Nyiregyhaza region, is to be set up by 30 September, with the rest to be formed according to the country's capacity later.

Similar military organisations, serving to defend a certain area, have long been part of several European armies.

After consulting the defence minister, the Hungarian Army commander ordered a test military exercise for several Nyiregyhaza brigade sub-units between 2 and 20 November to provide practice for reservist commanders and regular troops.

Hungarian Army staff, including civilian employees, was reduced to 100,000 from 155,000 three years ago. Of the 100,000, about 70,000 belong to combat forces.

British Economic Aid To Assist New Areas

LD2307113192 Budapest MTI in English 1000 GMT 23 Jul 92

[Text] Budapest, July 23 (MTI)—The British Government, which has provided GBP [Great Britain pounds] 6.42 million (about HUF [Hungarian forints] 900 million) in economic aid to Hungary in the last two years, mainly for education and training, will in the future assist different sectors of the economy.

British aid is transferred to Hungarian parties through the know-how fund. British Embassy official in Budapest, Charles Lonsdale, told MTI the know-how fund previously gave preference to education and consultancy, also supporting related management-training programmes.

However, in the future, the fund would mainly provide aid for economic restructuring and privatization, as well as transforming the financial sector and local government, and to reducing unemployment.

The fund has also contributed to updating the structure of the Hungarian electricity industry and assisting small and medium ventures.

In addition, the fund will help retrain more than 11,000 accountants in international accounting practices.

Suchocka, EC Representatives Discuss Membership

LD2207182792 Warsaw PAP in English 1625 GMT 22 Jul 92

[Text] Warsaw, July 22—Prime Minister Hanna Suchocka on Wednesday [22 July] received ambassadors of the EC member states, headed by British Ambassador Michael Llewellyn Smith, to discuss Poland's future entry to the EC and also this country's contacts with the World Bank.

Ms. Suchocka pointed to the importance which her cabinet attached to Poland's association with and future membership in the EC, which was reflected in the appointment of a special minister responsible for contacts with the European Communities. "The fact that the Sejm (lower house) has ratified the association treaty allows us to hope for speeding up the process of Poland's integration with the European Communities", she said.

The prime minister also expressed hope that the EC assistance programmes would be continued and intensified, especially with regard to finding solutions for regional economic problems in Poland.

The British ambassador informed Ms. Suchocka about preparations for meetings of foreign ministers of the twelve EC countries with their counterparts from the Visegrad Triangle and for a meeting of the three countries heads of states and governments with British Prime Minister John Major and President of the Commission of the European Communities Jacques Delors, due to be held in London in October.

Speaking to reporters after the meeting, the Polish prime minister did not rule out the possibility of attending a meeting of the EC representatives in London on July 28.

"We also spoke about possibilities of finding new sources of financing which could help restructure Polish mines," she said.

Czechoslovak Parliamentarians Discuss Cooperation

LD2207214992 Warsaw PAP in English 2033 GMT 22 Jul 92

[Text] Warsaw, July 22—Chairman of the House of Nations at the Czecho-Slovak Federal Assembly Roman Zelenay on Wednesday [22 July] told a news conference here that he had invited Prime Minister Hanna Suchocka and Foreign Minister Krzysztof Skubiszewski to pay official visits to his country.

Zelenay, who headed a delegation of Czecho-Slovak parliamentarians that concluded their official visit to Poland today, said that the visit provided an opportunity to discuss conditions of future cooperation between Poland, Slovakia and Bohemia, as well as the possibilities to transform the Visegrad Triangle into a quadrangle but preserving all principles of cooperation that had been settled earlier.

During their talks the Czecho-Slovak parliamentarians made some offers of cooperation. They proposed to open border crossings and ecourage contacts across the border. According to Zelenay, there are prospects for increasing trade exchange between Poles, Czechs and Slovaks.

On Wednesday the parliamentarians met with Polish Foreign Minister Krzysztof Skubiszewski, leader of the parliamentary caucus of the Liberal Democratic Congress (KLD) Jan Krzysztof Bielecki and that of the Solidarity Caucus Bogdan Borusewicz.

Deputy Minister Reports Improved China Relations

LD2207185492 Warsaw PAP in English 1646 GMT 22 Jul 92

[Text] Warsaw, July 22—Deputy Foreign Minister Jan Majewski told a press conference on Wednesday [22 July] that his Chinese counterpart Tiang Zengpeis visit to Poland on July 20-22 was a sign of "considerable improvement" in political and economic relations between the two countries.

Majewski explained that the visit was part of traditional annual consultations held by the two countries' governments, which were suspended for two years in 1990 after the breakdown of bilateral relations at the end of 1989.

The deputy foreign minister told the press conference that China consented to prepare a new trade agreement with Poland, corresponding to the changed economic and political situation. He added that prospects for cooperation between Polish and Chinese banks and for opening a new direct air connection between Warsaw and Beijing were also discussed during the visit.

New Foreign Trade Minister Explains Views

AU2207120892 Warsaw RZECZPOSPOLITA Economy and Law Section in Polish 17 Jul 92 pp 1,I

[Interview with Andrzej Arendarski, minister of foreign economic cooperation, by Danuta Walewska on 16 July; place not given: "An Open Ministry"]

[Text] [Walewska] Under your predecessor, the ministry that you now head was the cause of much friction in the economy. What will you do to reduce it?

[Arendarski] I think that the ministry will become more open, both to public opinion, through the press and television, and to members of parliament. Everything that goes on here will be completely open to view. However, we will still have to continue to assign certain rights, and as is always the case, if there is too little of something, there is a possibility that someone might feel offended.

[Walewska] Minister Glapinski tried to introduce more order into imports by applying more controls: fuel quotas, duty labels on liquor and cigarettes, controls on

the import of electronic goods, and quotas on textile imports were announced. As a liberal, how do you view all these directives?

[Arendarski] It is not my style to criticize my predecessors. I would like it to be noted that quotas are set by the Ministry of Industry and Trade that employs them to protect domestic producers. Our role is, above all, to divide up the quotas.

I am opposed to licensing, but I am in favor of controls. The idea of a liberal economy is not that of a "free for all," and especially in the case of Poland, where we know that the law is being flouted through the nonpayment of taxes, the state apparatus has a duty to impose controls. That type of action has to continue, but I will try not to make life unbearable for businessmen. I want the level of protection to be such that it will be accepted by every honest businessman.

[Walewska] Minister Jankowski has announced the introduction of border compensatory payments that will be applied to the import of foodstuffs. What is your opinion on this subject?

[Arendarski] I can understand the arguments about what lies in the interest of the state that would like to rapidly generate revenue by introducing these charges. I can also understand those who are opposed to them because they know that prices will rise as a result....

[Walewska] Would you not say that such charges would reduce competition in our markets, and trying to be better would no longer be worthwhile, because if something is better it would be much more expensive?

[Arendarski] That might, of course, happen and it must be taken into consideration. In my opinion, this is a case in which all the different arguments and interests will have be reconciled to the extent, of course, to which that is possible.

[Walewska] Are you planning to carry out a personnel revolution in the ministry?

[Arendarski] I am not planning that, because I am opposed to revolutions, starting with the October revolution and ending with palace and office revolutions. That does not mean that I am not planning any changes. At the moment, I am very carefully examining the structure of the ministry, and the extent to which it is suited to the current needs of the economy. It is only once a concept has been formulated on how the ministry should operate under new conditions that I will consider whether new people are needed.

[Walewska] You already said that one of the first important decisions that you will make will concern dividing up the quota of automobiles imported duty free from the EC. Do you already have some idea of how you will do that?

[Arendarski] Yes, but I cannot do anything until we know what Brussels' position is. It was supposed to inform us on 14 July, but today is already 16 July, and we still do not know what its position is. We want to apply a solution that will cause the least possible disadvantage to the state, but will, at the same time, reward the main investors in the automobile industry. Once a reply has been received from Brussels, I will ask the Council of Ministers to pass a resolution and on the basis of it, I will make a decision concerning the allocation of quota shares.

[Walewska] How do you see the role of commercial counselors?

[Arendarski] It is a structure left over from the past, when the Office of Commercial Counselors served several dozen foreign trade agencies. I have a good opinion of them, with, of course, a few exceptions, and of the training received by those working in this capacity and their commitment. Nevertheless, they are not in a position to serve the needs of Polish business. For just under two years now, there has been a document signed by Minister Ledworowski and myself lying at the Ministry of Foreign Trade on the directions in which reorganization of the agency should proceed. I think that we will return to it.

The basic idea is as follows: The apparatus that serves the state, deals with treaties, and examines economic and market trends has to be separated from matters relating to assisting business. I think that this is an area in which economic self-management bodies should have much to say, as their representatives are in the best position to know what they need. I would like the other part of the Office of Commercial Counselors to operate on a commercial basis. However, as we know, that runs against the Vienna Convention that does not permit payment for consultancy services. I know that costs would rise significantly because counselors would have to lose their diplomatic status, work permits would have to be requested, and obstacles that did not exist previously would arise. At some point, the National Economic Chamber, that has 25 promotion centers scattered all over Poland, will have to be brought into the apparatus. I think, if, of course, the government lasts a suitably long time, that I will be able to implement this whole idea.

[Walewska] In your opinion, who should promote Poland in the rest of the world regarding investments and exports?

[Arendarski] We should not seek to invent solutions of our own, but apply those that have worked in the rest of the world. I like a model that combines efforts by the state and private sector—for example, South Korea's KOTRE, or the Taiwanese solution. Those institutions are partly financed by the administration and partly by the private sector. They promote the countries and their economies, but also assist individual firms, for which they receive payment.

[Walewska] Exports are doing very well. What are you going to do to help those people who are helping our economy to such an extent?

[Arendarski] Good export results are the most obvious feature of our economy. However, I think that exports could be much greater if they were to receive appropriate support. Then they would have an enormous antirecessionary effect. I see several very obvious moves. First, the development of an economic information system. The National Economic Chamber has begun to do this using its own funds, and at the moment there already is a nationwide information system containing almost 300,000 firms, and the aim is to include all Polish firms. A Polish businessman or government agency has to obtain basic legal information from it, indicate what is being offered, and find a partner. Second, there are events staged for businessman. I think that the chamber should assume responsibility for organizing them. It is not a good idea for ministries to deal with economic missions. That should be done independently. Third, there is the question of promoting the economy as a whole. Fortunately, we have some funds at our disposal, and we will try to ensure that appropriate use is made of them. The importance of meetings between businessmen and politicians is still not appreciated in Poland. I will try to encourage my colleagues in the government to participate in them.

Finally, although I realize it is costly, I think that we should organize a lobby in the foreign press. Poland is depicted in a detrimental way abroad.

I would also—as far as internal solutions are concerned—like to return to the system that operated under Ministers Swiecicki and Ledworowski—that is, to establish a Promotion Council and invite people with plenty of experience in foreign trade to join it, then work out an appropriate strategy with their assistance, and divide up the money that is available for promotional activities.

[Walewska] One idea for making use of the zloty stabilization fund was to help exporters by creating a bank patterned after the American Eximbank. Do you support that idea?

[Arendarski] I have some misgivings about creating another structure. It would require time, people would have to be trained, or if not, then they would have to be taken from other institutions, that would then weaken those institutions. I do not know if that is the best solution. On the other hand, I bank on useing part of that billion in precisely the way that President Bush proposed—to assist export policy. The banks that already exist could be used to that end. I see providing credit guarantees and short-term commercial credits as a possibility. It is something that Polish exporters do not have.

[Walewska] If you take a look at our main export markets, the EC, the United States, the countries to our east, the Far East, and the developing countries, where do you think the greatest future for our exports lies?

[Arendarski] In those countries to our east. Even if we enter the EC, I do not think that barriers against Polish goods will be eliminated. The barriers will not be of a formal kind, but will center on quality, and hygiene standards. Developing markets in the east will be one of the ministry's priorities. There is money available for this purpose from the European Bank for Reconstruction and Development, and the World Bank.

[Walewska] Based on experience, do you think that the existing treaty structure is adequate, or are there some problems that the administration should regulate?

[Arendarski] I have no reservations about it.

[Walewska] Do you regret leaving your previous post?

[Arendarski] Very much so, but the presidium of the National Economic Chamber has granted me leave for the time being. Then we will consider what to do next.

Government Agrees To Restructure Mining Industry

LD2207192792 Warsaw Radio Warszawa Network in Polish 1520 GMT 22 Jul 92

[Text] During today's talks between government representatives and five trade union groups, Industry and Trade Minister Waclaw Niewiarowski declared the government's readiness to begin restructuring the mining industry.

In this round of talks, I propose that we discuss problems we can solve and implement now, without knowing what amount of money will be made available for transformations in the extraction industry, Minister Niewiarowski said.

The participants in the talks decided to appoint a team to draw up a communique containing the decisions made in the first round of talks held on 15-17 July.

Ian Hume, the World Bank's representative in Warsaw, who took part in the meeting, stated that mining should become one of the main branches of Polish industry, and that the World Bank is ready to give credits for the restructuring of the extraction industry.

Striking Unionists Call on Walesa To Save Economy

LD2207105392 Warsaw PAP in English 1027 GMT 22 Jul 92

[Text] Legnica, July 22—Striking unionists in the copper mining region Wednesday [22 July] called on President Lech Walesa, as the "supreme moral authority of the republic symbolizing the process of Polish reforms," to save the economy, press spokesman for the strike committee Edward Kienig said.

In a letter to the president sent by the inter-factory and inter-union strike committee, the unionists ask Walesa to "possibly swiftly undertake all initiatives to save the Polish economy from ruin." They explain that they want the immediate suspension of the excessive wage tax and the dividend, stressing that they ruin the best Polish enterprises the example of which is the Polish copper combine.

Union Calls For Solutions; Threatens Strike

LD2307083492 Warsaw PAP in English 2246 GMT 22 Jul 92

[Text] Gdansk, July 22—The Solidarity Union National Commission on Wednesday [22 July] urged the government to start solving the basic economic problems, setting the deadline for July 31. Otherwise, the union leadership would organize a nationwide protest action, including a general strike.

The Solidarity leadership adopted a resolution to this effect in connection with the wave of strikes in the Polish coal and copper industry and tension prevailing in some other enterprises.

Solidarity leader Marian Krzaklewski declared that the union's support for the present government is "conditional and will be withdrawn if the government fails to implement the unions demands."

The commission is of the opinion that the current situation stems from the remnants of the former Communist system and the democratic governments' incompetence. If the authorities continue to ignore problems of importance to employees, people's dissatisfaction "may be used by post Communist forces to their own ends," a resolution adopted by the commission warned.

Striking Miners Demand Abolition of High Tax

LD2307091192 Warsaw PAP in English 0737 GMT 23 Jul 92

[Text] Katowice, Legnica, July 23—The working crew of the "Zofiowka" coal mine in Jastrzebie-Zdroj, southern Poland, started a strike last night to forward 23 demands, press spokesman for the 11-strong strike committee Andrzej Andrzejczak said.

The strikers want to start "honest and concrete talks" on repayment of mines' debts, abolishment of the excessive wage tax and wage increases.

About 3,000 miners are taking part in the protest, the spokesman said.

Meanwhile, some 2,300 workers of the "Glogow" copper mill started a sit-in Thursday [23 July] morning, member of the inter-factory and inter-union strike committee at the "Polish copper" mining and metallurgical combine Jerzy Cebula said.

Like in other plants of this combine, a general strike has been staged at the "Glogow" copper mill since July 20 and the strikers have already extinguished one furnace there. It no longer produces copper and a team is taking care of the furnace to prevent its damage. The production of copper dropped by half at the "Glogow" copper mill.

A one-hour warning strike will be staged at a workshop of a big rolling mill at the Katowice steel mill by Solidarity '80 this morning, Zygmunt Cieslicki of Solidarity '80 said.

Among the main demands are the abolishment of the excessive wage tax and the dividend and wage increases mounting to the average of 1 million zlotys (about 70 U.S. dollars) per one employee.

Solidarity Commission Says Support Is 'Conditional'

LD2307085192 Warsaw Radio Warszawa Network in Polish 1700 GMT 22 Jul 92

[Text] The main subject discussed by the National Commission of the Independent Self-Governing Trade Union Solidarity was the situation in the country linked with the strikes at coal and copper mines and at the Mielec Transport Equipment Plant. There was also a discussion on the state of negotiations with the government prior to the expected meeting by Solidarity Chairman Marian Krzaklewski with Prime Minister Hanna Suchocka. There was much criticism of the Solidarity parliamentary floor group's attitude. It was pointed out that the trade union must not make the mistake of holding a protective umbrella over a government that cannot be acknowledged as a Solidarity government.

Marian Krzaklewski and Jan Rulewski pointed out that support for the government is conditional, and will be withdrawn if the government does not fulfill trade union demands.

Jan Rulewski reported that a draft resolution on decommunization, drawn up by the Solidarity parliamentary floor group, has been sent to the Sejm Presidium. According to the draft, the decommunization action will encompass some 100,000 people. The activity by the organ carrying it out, which will take several years, will cost several billion zloty.

The National Commission is also planning to pass a resolution on vetting within the Independent Self-Governing Trade Union Solidarity.

Christian Democracy Gains Two Seats in Sejm

LD2207203392 Warsaw PAP in English 1836 GMT 22 Jul 92

[Text] Warsaw, July 22—The State Electoral Commission has ruled that the Christian Democracy (ChD) will receive two additional seats in the Sejm (lower house) while the Democratic Union (UD) and the Confederation for Independent Poland (KPN) will lose one seat each.

The Christian Democracy protested over the division of parliamentary seats to the Sejm which ruled that the protests were grounded and urged the State Electoral Commission to distribute the seats anew.

The decision was taken after having examined the records of the distribution of parliamentary seats among candidates for deputies who ran from the national list in last year's elections.

As a result Marek Dabrowski from the UD and Zbigniew Frost from the KPN were deprived of their seats in the Sejm.

Parys: Left 'Preparing Antidemocratic Government'

LD2307084292 Warsaw PAP in English 2202 GMT 22 Jul 92

[Text] Cracow, July 22—A conference of patriotic forces on Wednesday [22 July] enthusiastically adopted a resolution expressing gratitude to former Prime Minister Jan Olszewski and his ministers who "firmly initiated the process of desovietization of public life."

Jan Parys, the controversial defence minister in the Olszewski government and now leader of the Movement for the 3rd Republic, told the conference that a couple of days ago the left returned to power in Poland. Referring to the Hanna Suchocka government, he claimed that the left was preparing an antidemocratic model of government.

The participants in the conference decided to hold in Autumn a convention of right and centre forces that would set up a shadow cabinet composed of political leaders: Janusz Korwin Mikke of the Union of Real Politics, Jaroslaw Kaczynski of Centre Alliance (PC), Kornel Morawiecki of Freedom Party and Jerzy Eysymontt, a minister in the Olszewski cabinet.

Defense Minister Interviewed on Vetting Law

LD2307091992 Warsaw TVP Television First Program Network in Polish 1500 GMT 22 Jul 92

[Studio interview with Minister of National Defense Janusz Onyszkiewicz by unidentified reporter; from the "Teleexpress" program;—live]

[Excerpt] [Reporter] Good afternoon. Minister, according to what you have said, the Ministry of National Defense is to be a civilian department. What does this mean?

[Onyszkiewicz] This does not mean that the ministry will only employ civilians. In fact, most ministry employees will continue to be military personnel, but they will work as civilians; that is, they will have no power to issue orders for the armed forces. The ministry will be just a government department, that will deal with administration of the forces and drafting of the state's defense policy. It will not be a command center.

[Reporter] The infamous Sejm resolution—the so-called vetting resolution—is causing concern for the current and former employees of the military intelligence and counterintelligence services. Have you come across attempts or requests by agents who are worried their names will be disclosed to the public?

[Onyszkiewicz] I have not come across this personally, as such requests are not addressed to me but to officers who have contacts with their informers. Yes, indeed, there has been a large amount of such requests, a rather worrying amount. Since my statement that their identities will not be revealed, things have calmed down. We have to preserve the anonymity of agents or else our special services will cease to function. As the armed forces are being reduced, we should at least know more about what is happening. [passage omitted]

Izetbegovic Opposed to Federal Organization

LD2307112992 Belgrade TANJUG in English 1023 GMT 23 Jul 92

[Excerpts] Belgrade, July 23 (TANJUG)—Chairman of the Conference on Yugoslavia Lord Carrington told prominent Serbian opposition figures during his visit to Belgrade that the convincing of Bosnia-Hercegovina Muslim leader Alija Izetbegovic to accept a federal organization of Bosnia-Hercegovina was "in progress."

Izetbegovic's resistance is a big problem, Carrington admitted.

The Belgrade Daily BORBA on Thursday carries a statement in which Professor Radoslav Stojanovic, member of the delegation of the Democratic Movement of Serbia (DEPOS) which met Lord Carrington in Belgrade on Tuesday, quotes Carrington as saying that the Serbs and Croats in Bosnia-Hercegovina had agreed to a federal organization of that republic.

Izetbegovic is still firmly committed to a unitary organization, Carrington said.

DEPOS assembles a group of opposition parties in the republic of Serbia, prominent intellectuals and institutions.

In the ethnic-strife-torn former Yugoslav republic of Bosnia-Hercegovina, the Serbs, who are opposed to the secessionist policy of the Bosnia-Hercegovina leadership, on April 7 proclaimed their own Serb republic of Bosnia-Hercegovina, and the Croats early in July formed their own republic in Bosnia-Hercegovina which they named Herceg-Bosna (Herceg-Bosnia). [passage omitted]

Another member of DEPOS's delegation, academician and writer Slobodan Selenic, said Lord Carrington had told them that if the ceasefire did not hold in Bosnia-Hercegovina there was nothing else he could do.

Selenic said he had gained the impression that Lord Carrington was opposed to a military intervention in (former) Yugoslavia and that he was "firmly committed to a restoration of the peace."

The latest ceasefire accord, signed in London on July 17 by the representatives of the Bosnia-Hercegovina Serbs, Muslims and Croats, became effective on July 19.

Lord Carrington held talks on the Yugoslav crisis with President of the Federal Republic of Yugoslavia Dobrica Cosic and Serbian President Slobodan Milosevic on Tuesday in Belgrade.

Army Protests Cease-Fire Violations in Bosnia

LD2207215792 Belgrade TANJUG in English 2122 GMT 22 Jul 92

[Text] Sarajevo, July 22 (TANJUG)—The Army of the Serb Republic of Bosnia-Hercegovina protested on Wednesday [22 July] to UNPROFOR [UN Protection Force] over drastic violations of ceasefire committed by the Moslem and Croat forces during the past 24 hours.

The protest, carried by the Bosnia-Hercegovina Serbs' news agency—SRNA—denied that the Army of Bosnia-Hercegovina Serbs was active on Tuesday in the area of Suha Medja near Bosanski Novi, where a UNPROFOR member was wounded. It was known from reliable sources that this attack, in which a vehicle was also damaged, was carried out by the Moslem forces, the protest said. The Moslem forces, as set out, fired from Visoko on Ilijas, 25 Km from Sarajevo.

The protest pointed out that aggression of Croatia on Bosnia-Hercegovina continued. Thus, a Croatian Army brigade from Dubrovnik, which replaced the 153rd Brigade, arrived to the area of Bjelo Brdo and the village of Korace, near Derventa, on Tuesday.

In conclusion of the protest, the general headquarters of the Army of the Serb Republic of Bosnia-Hercegovina stated the hope that UNPROFOR would exert influence on the Moslem and Croat side toward effecting an end to violations of the London ceasefire agreement.

Fighting Breaks Out on Border With Croatia

LD2307113592 Belgrade TANJUG in English 1008 GMT 23 Jul 92

[Text] Bileca, July 23 (TANJUG)—After only three days of relative quiet, fighting resumed on Thursday [23 July] on the Dubrovnik-Trebinje battlefront, on the southern border between the breakaway Yugoslav republics of Bosnia-Hercegovina and Croatia.

The command of the Hercegovina corps of the Army of the Serb Republic of Bosnia-Hercegovina said that units of the Croatian Army, supported by strong artillery fire, were making infantry attacks on Serb positions in eastern Hercegovina.

According to Serb Army sources, Croatian forces in the night between Wednesday and Thursday carried out heavy artillery attacks on the Serb-populated villages of Poljice and Sedlari near Trebinje, in eastern Bosnia-Hercegovina, in which fighting has been in progress for almost four months between the local Muslims and Croats, assisted by regular army units from neighbouring Croatia, and the local Serbs.

The Croatian Army also carried out several infantry attacks on the Trebinje-Dubrovnik battlefront, but they were all repelled without casualties, the Command of the Hercegovina Corps of the Army of the Serb Republic of Bosnia-Hercegovina said, adding that one of the attacks' objectives was to make a deeper advance into Serb territory to make possible an attack from the rear on units of the Yugoslav Army defending Prevlaka, a peninsula which lies on the border between Croatia and Montenegro, ie, the Federal Republic of Yugoslavia.

Tudjman, Izetbegovic Sign 'Friendship' Accord

LD2107223992 Zagreb Radio Croatia Network in Serbo-Croatian 2200 GMT 21 Jul 92

[Text] President Franjo Tudjman and President of the Bosnia-Hercegovina Presidency Alija Izetbegovic this evening signed an agreement on friendship and cooperation between the two countries. A protocol on establishing diplomatic relations between the two countries was signed in a ceremonial atmosphere in Vila Zagorje.

Addressing the journalists present, President Tudjman said that both documents will serve to expand the various forms of cooperation between Croatia and Bosnia-Hercegovina, in which both countries are extremely interested. Stressing the part of the agreement relating to military cooperation, Bosnia-Hercegovina President Alija Izetbegovic said he hoped that this would help in ending the war being waged by the Serbian aggressors against our two countries. He added that if necessary, and if the war does not end, it will be possible to sign a new agreement on specific military cooperation between the two countries.

Cooperation Protocols Signed With Bosnia

LD2207172292 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 22 Jul 92

[Excerpt] After the agreement on friendship and cooperation between the two sovereign states was signed yesterday, the vice prime ministers of Croatia and Bosnia-Hercegovina, Dr. Mate Granic and Hakija Turajlic, signed two protocols today in the presence of members of their governments on economic cooperation between the two countries and cooperation in caring for refugees from Bosnia-Hercegovina. Jasenka Dudic reports:

[Dudic] The first protocol envisages the creation of conditions for the free flow of goods, services, investments, monies, capital, free trade, and free traffic in border zones. Particular attention, according to this document, will be paid to those joint long-term contracts with partners from abroad that are based on higher forms of economic cooperation. Protection will be guaranteed for property belonging to legal entities and individuals. The exchange of strategically important materials, as well as the functioning of the two countries' integrated power network, will also be secured.

Changes to the agreement on payments of April this year will stipulate that mutually outstanding debts in the two countries' trade be settled in hard currency and that the agreement on international customs, postal and air traffic, railroads and telecommunications be prolonged till the end of the year.

The protocol also cites, among other things, that experts will prepare a draft plan for setting up a joint airline company, regulate air control below 6,000 meters, and examine the feasibility of introducing regular services between Sarajevo and Zagreb and further destinations. Traffic in border zones will also be discussed, as well as the customs duties levied on certain products of special interest for both countries such as timber, iron, aluminum, and other resources.

Both countries will seek support from the international community for the quickest possible completion of the former Yugoslavia's succession. They will also jointly approach international financial institutions. The establishment of diplomatic and consular relations and the opening of Bosnia-Hercegovina's office in Zagreb will facilitate everyday cooperation and agreements on all matters in the economic sphere. [passage omitted]

Krajina Leadership Ready To Negotiate Status

LD2207194192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1409 GMT 22 Jul 92

[Text] Belgrade, 22 Jul (TANJUG)—Dobrosav Vejzovic, foreign minister in the Government of the Republic of Serbian Krajina, told TANJUG today that the leadership of Krajina is prepared to negotiate on its future status, noting that "negotiations could be conducted exclusively on the basis of the reality created in the meantime."

"We believe that we must negotiate, since we are not a desert island nor can we remain so. However, we have to conduct negotiations on the basis of the current reality," stated Vejzovic, who yesterday denied the statement of Lord Carrington that at the talks with the British diplomat the delegation of the Republic of Serbian Krajina "unconditionally accepted talks on the special status of Krajina."

Vejzovic stressed that they discussed with Carrington only "when, where, and how the negotiations could start in this new round of talks", which, as he put it, "Lord Carrington is trying to launch."

"However, if the reality is that on the territory of former Yugoslavia several independent states, which have seceded from Yugoslavia, have been formed, then it is also a reality that in the same territories other republics have been established, which have been formed, if you like, by secession from the individual republics," Vejzovic said.

Vejzovic particularly emphasized that the "Croatian government has attempted and is continuing to attempt, by provoking the escalation of clashes in Bosnia-Hercegovina, to create preconditions for intervention in Krajina."

"Croatia believes that the opinion of the world public, now focussed on the Bosnian situation and directed against the Serbs, will easily swallow some kind of escalation and Croatian attacks on the Republic of Serbian Krajina," Vejzovic said.

He recalled that Croatia attempted this at the end of June, but that the UN Security Council promptly reacted and by Resolution 762 demanded that the Croatian forces return to the positions they were holding before 21 June.

Vejzovic recalled that "the Serbs in Croatia were a political nation even before the Croats themselves", as well as that the Croatian Democratic Community deprived the Serbs in the new Croatian state of the right to be a constitutive nation.

"However we do not think that it would not be possible to negotiate with the Croatian Government", he said.

"For successful negotiations it is necessary that some time passes in order to create the necessary atmosphere in international relations. Then certain contacts could be established and issues, concerning equally both the Serbs and the Croats, wherever they live, could be resolved," Vejzovic maintained.

The foreign minister of Krajina remarked that a precondition for such a development of events is primarily a solution of issues in connection with application of the Vance plan. Vejzovic considers that this plan should lead to a certain stabilization in Krajinas.

"The United Nations should also assume full responsibility for security in the Krajinas, which would open up the process of the return of refugees to their homes," Dobrosav Vejzovic concluded.

Military Court Sentences Serb Leaders to Prison

LD2207141192 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 22 Jul 92

[Text] The three-man council of the Split-based military court, chaired by Ante Barbic, today passed sentences on 19 leaders of the so-called Serbian Autonomous Region of Krajina, who were charged with threatening the territorial integrity of the Republic of Croatia by organizing the Serbian people to vote for the secession from Croatia of all those municipalities predominantly populated by Serbians and for their annexation by Serbia. The regions include northern Dalmatia and Lika, which would unite with the so-called Serbian Autonomous Region of Slavonija and Baranja and Bosnian Krajinas into a new Yugoslavia.

Milan Babic, Milan Martic, Lazar Macura, Milan Paspalj and Slavko Ozegovic were sentenced to 15 years imprisonment. Dusan Vjestica, Jovan Radulovic, Risto Matkovic, Branko Simpraga, Dusan Starevic, Vaso Lezajic, Petar Stikovac, Jovan Kablar, Jovo Katisic, Milorad Rnjak, Milos Prijic, Dobroslav Vejzovic, Vojin Peuraca, and Veljko Stojisavljevic were sentenced to 12 years imprisonment.

HDS Electoral Candidates, Program Presented

92BA1203A Zagreb VECERNJI LIST in Serbo-Croatian 8 Jul 92 p 4

[Article by Z. Zonko: "The Christian Democrats Against Bolshevism"]

[Text] Zagreb—Marko Veselica is a true Croatian plebeian, a voice of the people; he speaks as a person who is demanding human rights for his people. He is seeking love and confidence, but he repays it twice over. With these words, recalling also the several years which M. Veselica spent in prison, Ante Kovacevic, vice president of the HDS [Croatian Constitutional Party], nominated the president of the HDS to be a presidential candidate on behalf of the party's leadership. Veselica is also top billing on the list of candidates on the government slate in elections for the House of Representatives, on which, just as on the slate for the electoral units, candidates of the HDS are joined by representatives of the SDA [Democratic Action Party] for Croatia (an agreement has been signed between the SDA and HDS concerning a joint effort in the elections), the DSAH [Democratic Alliance of Albanians in Croatia], the DSHV [Democratic Alliance of Croats in Vojvodina], and the HOP [Croatian Liberation Movement]. Candidates on the slate in the electoral units include Dr. Ante Kovacevic (Pozega), Zvonimir Nikolic, engineer (Trnje), Srecko Jurdana (Centar), and Dr. Srecko Psenicnik.

"The 10 HDS Commandments"

M. Veselica presented the main features of the HDS campaign program, which has been called the "10 HDS Commandments." The HDS places the greatest importance on the reestablishment of Croatian authority over all parts of Croatian territory when the war actually ends, and there is every prospect for this to happen in three months. The attitude toward Bosnia-Hercegovina is the touchstone of Croatian politics, the alliance between Croatia and Bosnia is necessary against the common enemy of Serbian expansionism, but that agreement will also respect the integrity of Bosnia-Hercegovina. With respect to the Croatian system of government, Veselica said that the most important thing is to reestablish parliamentary democracy, to redefine the position of the president of the republic, and to reform the government and its services, so that professional competence and probity become the criteria of personnel. While emphasizing the Christian-Democratic orientation of the HDS, Veselica also cited other points of the campaign program, revision of the Vance Plan, a different organization of the HV [Croatian Army], the return of the exiles, development of private enterprise and rural areas, greater concern about social welfare, and investigation of war crimes, embezzlement and distribution of housing. In his opinion, the law on transformation has not been successful, and certain mafioso groups have in their own interest lowered the price of fixed capital in Croatia. He also announced a tax policy that would stimulate the development of small private establishments rather than force them to close down, because the closing down of some 20,000 private shops is now being recorded.

Speaking about the agreement between the HDS and SDA, Ante Kovacevic, vice president of the HDS, said that the alliance between Croats and Muslims is the only guarantee of biological survival of members of those nationalities, but also of Bosnia-Hecegovina. If cantonization occurs, Serbia will reach Karlovac and there will be a division of Bosnia, we will have chetniks in Banski Dvori and Kamenita Vrata. The policy of the HDZ

[Croatian Democratic Community] concerning Bosnia has on the one hand been in a political alliance with the criminal Karadzic with respect to cantonization, while on the other alliances are offered to the Muslims. Mate Boban is Dr. Franjo Tudjman's greatest political fiction.

In Favor of the Integrity of Bosnia-Hercegovina

Recalling that because of the war and decrees of the Croatian Government, the constituency of the SDA for Croatia has been reduced, although otherwise it constituted 5 percent of the Croatian electorate. Samso Tankovic, SDA president, said that this had eliminated the possibility of taking part in the elections on their own. Because, however, the HDZ is responsible for this position of the Muslims, they are not suitable for a coalition, nor are the left-wing parties, because of the aversion of Muslim voters. Tom Berisha, president of the DSAH, said that the Croatian Government had shown it is unable to appreciate even true Croats, so that it is logical for it not to appreciate friends and natural allies either—the Muslims and Albanians. They chose the HDS as their ally, because that program promises the most. Srecko Psenicnik, president of the HOP, said that they saw in the HDS representatives of authentic Rightism and pure Ustashism, and, just like the HOP, they are opposed to the division of Bosnia-Hercegovina. Dr. Milan Bicanic, president of the DZVH [Democratic Community of Vojvodina Croats], said that the Croatian Government had turned its back on Vojvodina Croats and that now they feel like foreigners in their own homeland.

The HDS is against expanding the authority of UN troops even to the so-called pink zone and to the demands for Croatia to amnesty everyone who rose up against it. B-H should be of a piece, without cantons, but with government bodies based on the principle of parity: the parliament should have two chambers, a chamber of citizens and a chamber of nationalities, with equal representation of all three constituent nationalities. The government in Croatia has bolshevik features, they are behaving like former Communists who glorify the Partizan movement as a Croatian movement, when they were fighting for Yugoslavia. Jasenovac is a false myth of Serbian suffering and the genocidal nature of the Croatian people, and if there is insistence on Jasenovac as a place to commemorate all victims of the war, that blemish will remain. Gabelica added that the HDS favors denationalization and return of foreign exchange to individuals (it could be returned in two years), and a tax policy based not on the individual, but on the family.

Martin Kliment (HDS—Istrian Popular Alliance) opposed the imposition of so-called Istrianism on the Croatian nationality in Istria. Zeljko Olujic, member of the HDS Central Committee, spoke about the demand to annul the Law on Election of the President of the Republic, the Law on Election of the Deputy, and the Law on Voter Lists, which the HDS has filed with the Constitutional Court of the Republic of Croatia. It demands that all three laws be annulled because they are unconstitutional, because among other things they do harm to principles concerning the equality of citizens of the Republic of Croatia, equality in connection with election to public services, and respect of the three branches of government.

[Box, p 4]

Election Slogans

The election slogans of the HDS include the following: "With the HDS to an election victory," "The HDS is a party with a Christian-Democratic orientation," "The family is sacred to Croats," and "Pensions, not charity for people who are retired."

Statement

HDS candidates to the House of Representatives signed a statement whereby they assume a commitment "never to accept in thought, word, or deed the retreat from any part of the territory of the Republic of Croatia and they will not give up opposing attempts by anyone in that direction."

Federal

Yugoslav, Croatian Army Commissions Hold Talks

LD2207194292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1656 22 Jul 92

[Text] Subotica, 22 [illegible]JUG)—Commissions of the Yugoslav and Croatian armies met in Subotica [Vojvodina, Serbia] today. Their meeting was mediated by the EC mission and the International Red Cross.

The meeting was held behind closed doors, and it has been learned unofficially that it discussed a possible forthcoming exchange of POW's and MIA's during the war in Croatia. It was announced that an official statement will be issued tomorrow.

Representatives of the Croatian Army are visiting Serbia, that is the Federal Republic of Yugoslavia (FRY), legally for the first time since the outbreak of hostilities.

It is worth noting that three members of the Croatian Army delegation arrived in civilian clothing in Subotica last night and were accommodated in the Hotel Patria. They arrived on foot and without security guards at the Army club, where the talks took place.

DEPOS Sends 'Roundtable' Letter to Cosic, Panic

LD2107123192 Belgrade TANJUG Domestic Service in Serbo-Croatian 0932 GMT 21 Jul 92

[Text] Belgrade, 21 Jul (TANJUG)—The Executive Committee of the Democratic Movement of Serbia [DEPOS] today sent a letter to Dobrica Cosic and Milan Panic, the president and prime minister of the Federal Republic of Yugoslavia respectively, inviting all the factors in the existing Federal Government to immediately accept its proposal for a "roundtable."

In the letter, DEPOS notes that since its inception the movement has advocated new elections to a constituent assembly with radical changes in current electoral laws, and the laws on media and political parties as a main precondition.

"DEPOS maintans that new, more just, and more appropriate laws in these three spheres must be formulated and passed with the help of a roundtable, to be organized by the existing federal authorities in agreement with all relevant political factors in the country," DEPOS says in the letter.

Under this agreement, DEPOS suggests, federal authorities would give up some of their legal powers which would be taken over by the roundtable. With the approval of all its participants the roundtable would formulate and pass relevant laws which the federal legislature would agree beforehand to endorse.

Federal executive authorities would also give up some of their executive and administrative powers. These would also be taken over by the roundtable, which, during the elections would play the role of the top supervisory body with the task of monitoring their regularity, DEPOS explains.

In DEPOS' view, relevant political factors are the existing federal authorities and relevant political parties or rather their coalitions and movements.

In its letter, DEPOS notes that there is not much time left for democratic initiatives, and goes on to say that the roundtable would be the first necessary move toward defusing political conflicts and establishing a genuine dialogue between the authorities and the opposition in the country.

Serbia

Milosevic Visits Leskovac, Receives Welcome

AU2207113092 Belgrade Radio Beograd Network in Serbo-Croatian 1000 GMT 22 Jul 92

[Slobodan Kovacevic report]

[Excerpt] After a cordial welcome in front of the communal assembly building, where he was greeted by several thousand Leskovac residents and the representatives of the communes of Leskovac, Vranje, Lebane, Vlasotince, Bojnik, Crna Trava, and Medvedja, as the news on his arrival quickly spread through the town, Serbian President Slobodan Milosevic held talks in the Great Hall of the assembly building with the politicians and businessmen of this part of southern Serbia until about 15 minutes ago. [passage omitted]

Addresses Assembly

AU2207165092 Belgrade Radio Beograd Network in Serbo-Croatian 1325 GMT 22 Jul 92

[Speech by President Slobodan Milosevic to the Leskovac Assembly on 22 July—recorded]

[Text] Thank you for your cordial welcome. Allow me to say a few words.

The situation in which Serbia finds itself today is very difficult. This situation is a result of a combination of circumstances and events at the international level, as well as a combination of circumstances and events in the former Yugoslavia and Serbia itself. One will only be able to properly explain the complexity of these events and the international situation as a whole much later. Having said that, I do not exclude the possibility nor the responsibilities of the current assessment of the propriety of political, economic, and other significant actions and decisions made in society. I think that it would be fair to say that the refugees in Serbia often had the advantage in their search for jobs or apartments and in enrolling their children in schools and universities in comparison with the citizens of the Republic of Serbia.

Therefore, I want to say that we have extended all possible help to Serbs, outside Serbs, and the Serbs who came to Serbia as refugees. We will continue to extend such help in the future. This help, however, has had its price. This help was represented in a large part of the international community as urging Serbs to wage war in Bosnia-Hercegovina. This help was even presented as our participation in the war.

The people of Serbia have, however, participated in the war in Bosnia-Hercegovina only while the Yugoslav People's Army existed in regular and reserve units. When the Army was divided, that is to say, when its Serbian-Montenegrin part became the army of the Federal Republic of Yugoslavia, the participation by the citizens of Serbia in any legally organized form in the Bosnia-Hercegovina warring regions stopped. It is difficult for this truth to penetrate into the rest of the world.

Serbia was accused unjustly. Many sides are taking part in the war that is raging in a large part of the former Yugoslavia. If there is no goodwill, or the least possible amount of the necessary information to identify the extent to which all other participants in the war destruction are involved, then it would at least be just for everyone shares the burden, responsibility for what they are truly responsible for, and thus the sanctions of the international community for the war in Yugoslavia.

Indeed, not only is it unjust but illogical as well that the responsibility for the clashes in Bosnia-Hercegovina, in which Muslims, Serbs, and Croats are taking part, is borne by Serbs alone, above all the Serbs in Serbia, which makes the thing totally absurd. It is quite certain that if the world is deaf today regarding this nonsense, the future will not be.

I must also say that I am not talking about a distant future but I hope, quite a near future. I am sure that the powers that are dictating this unjust pressure today will not gain glory in the near future, neither before history nor their own public, for having competed in issuing threats and ultimatums to and applying pressure on a small country and a small nation.

When I speak about the cost of Serbia's help to the Serbs in the war-torn regions and the cost of accepting refugees from these regions, this cost does not only include the sanctions that have been imposed, but also the enormous economic commitments that Serbia has consciously taken upon itself. Indeed, we cannot help the Serbs outside Serbia, who are in the war, fighters and their families. We cannot look after an enormous number of refugees—who are not only Serbs, there is also a large number of Muslims, Croats, and others, because we do not discriminate against others—without feeling this in the economic and the general social life of the republic. We cannot offer unselfish and substantial material help without depriving ourselves of some material wealth.

It is necessary, however, for me to say that none of the former Yugoslav republics is in a better material position. I even think that Serbia is in a better economic position than some of the republics that had lesser humanitarian obligations toward others and that at the same time do not suffer any international sanctions. Therefore, I would like to say that Serbia, despite the enormous material obligations toward the Serbs in the war-torn territories and the refugees and despite the sanctions it is exposed to, is standing firmly on its own feet. With a greater mobilization [word indistinct] organization, and increased individual and any other type of responsibility, our economic situation would be even better.

Of course, one should not conclude from all this that we should come to terms with the sanctions and seek the solution in some sort of autarkical, isolated world, oriented toward ourselves and doomed to ourselves. On the contrary, we are doing and we should continue to do our best to free ourselves from these sanctions, not only because they are unjust but also because in the present world one cannot live without firm links—economic, political, cultural, international, and between people in general.

It is understandable, however, that in doing so we will make sure that we do not clash with the vital, ethnic, and political interests of our republic and our nation, or so that this would be to the detriment of Serbia's independence and sovereignty and dignity of its citizens. Therefore, I do not believe that the price for abolishing the sanctions should be the loss of Serbia's independence or the loss of some of its territory. Therefore, I can say that the Serbian and Yugoslav leaderships will take responsible and equal care of the republic's independence and integrity and see to its integration into the international community on a equal footing.

In connection with this, I would like to emphasize the need for such activities, not only by the Serbian and Yugoslav leaderships, but by all institutions of the society, all political parties, and all citizens. I am departing from the assumption that everybody, or at least the majority, must care about the independence of Serbia and Yugoslavia and about their economic recovery and social stability.

To those who do not care about all this, my words are not addressed anyway. They can continue hoping that by joining the unfair sanctions against their own country they will earn the sympathies of the mighty and the rich. The political motive of the economic sanctions is calculated to bring Serbia to its knees and accept the humiliating conditions by renouncing the possibility of demonstrating solidarity with the Serbs in other republics in realization of their legitimate rights and by allowing political and economic division of its territory. This is out of the question! [applause]

If we agree that freedom, peace, independence, and economic recovery are the most important interests, then these interests are common to all of us. Then we can really hope for the resolution of our troubles, better days, secure peace, and guaranteed development.

The citizens of Serbia have long been exposed to great media pressure and confusion—first with the help of the foreign media and later with the help of domestic media—I would say, to a truly deliberate confusion, which is so intense and so quotidian that it manifests itself as a specific type of violence. This confusion affects young people most and, therefore, the physical and psychological violence against them is the greatest in this sense. For example, it appears here that no one has strived for a law-governed state more than those who are trying to dispute the Constitution and all laws and decisions in this country. Or, as it is known, we opted together for a multi-party system, for parliamentary democracy.

Some right-wing parties, however, at the very first elections, refused to enter the government because they were not satisfied with the electoral results. At the time of the next elections, they would not attend them, but would want to enter the government. It is difficult not to see how some parties that are losing at the elections, as soon as they lose, proclaim the elections illegal and demand new ones. It is equally difficult to explain to a reasonable man how those who did not want to attend the elections and do not have their representatives in the assembly want to take part in the government, and furthermore even want to form the government themselves.

All political parties complain that they are insufficiently presented in the media, particularly television. Every citizen, however, knows that television programs have, so to speak, been reduced to the presence of party leaders, particularly of the opposition, and to their mutual accusations and what they call their settling of accounts with the regime. It is really no exaggeration if I say that some party leaders appear on television more than the most popular folk singers. So, if television has to come under scrutiny—and it should, certainly, just as everything that has been happening in society should—then it should be said that television has neglected all other programs apart from the political ones, that it has considerably neglected educational, entertainment, and even information programs of a broader type that concern world events, more complete information for our people about real issues, because what we see is often reduced to a picture of a world that thinks about nothing but Yugoslavia, and probably, according to ideas presented in our media, hardly ever thinks about itself.

There has never been so much verbal support for democracy in public life, but, at the same time, there has never been so much violence all around us. On the broader plane, there is a war, the war that is continually knocking at our door as well, ranging to internal political, psychological, and physical pressures exerted by the extreme right at the system and the authorities, that is, at the relevant officials. They want to change the authorities so that they can take power. One really must be blind to not see that pressures from outside and inside do not represent two separate activities, but one complete activity. At the same time, this pressure is of a nature and intensity that the everyone is exposed to it, particularly in Belgrade. If this unscrupulous violence and these vulgar pressures should represent democracy and the forms of our joining the new democratic world order, then there is no reason to introduce this new order at all.

I must say that many elements of these pressures used by rightists in Serbia resemble that old bolshevik manner of taking power which these rightists criticize themselves and which, to make the irony complete, they ascribe to the ruling party. I believe that every reasonable citizen of Serbia asks himself today how it can be possible that such a hysterical, unjust, and essentially anti-historical attitude toward our recent past and, so to speak, the lives of many generations, can be present in our people. This recent past is being absolutely rejected. Allegedly, nothing in it was good, even our anti-fascist struggle for national liberation.

According to various reactions one can see in the media, even this struggle does not deserve pride. A picture is being created according to which we have so far been living in a society which we should be ashamed of and in which we had only troubles. Not only are things not like that, but probably the entire world, many educated people, and intellectuals in Europe are surprised and ask themselves what made us denounce the advantages and successes that others had recognized even then and do not deny them today. People here must be mostly confused, not to say feeling desperate, by the fact that such a brutal, dismissive attitude about recent reality is harbored by those very individuals who lead the best or at least very good life in that reality, in the financial, political, and professional senses. Really, normal people cannot help asking themselves how someone who was a party committee secretary until recently can be a fanatic today, how a romantic poet can become an aggressive militant, how a director can overnight become the owner of a factory he is working in, why 9 May, the day of victory over fascism, is not marked by a single word, and even a completely insignificant historical or religious date is marked.

People are asking themselves if it is possible that violence and ideas that seem to be calculated at bringing our society closer not to the 21st but rather the 12th century to be offered so persistently on our political scene. It is in the historical interest of Serbia and the Serbian people to successfully get out of the difficulties that they are facing, but it is difficult to get out of this chaos and confusion if people and citizens do not gather in favor of peace, work, cooperation among nations and people, and therefore and on that basis, in favor of prosperity. If good intentions are the motive, then all political forces in Serbia that are led thus will help their people and all citizens of Serbia, not only to have no war but to create conditions for economic recovery and for social and cultural prosperity. Political parties, both the ruling parties and those in the opposition, must make their contribution to this.

The ruling Socialist Party, which has just scheduled its congress and bears great responsibility precisely because it is in power, should first of all make some truly major changes in its political attitude because it contains a lot of bureaucratic arrogance and political inferiority. Some

members of the leadership often show arrogance toward members and the public, which puts people off, particularly when these leaders have no reason to attach this kind of importance to themselves. At the same time, a considerable number of members of the ruling party's leadership are not present on occasions when they should be presenting their political program, when they should be representing, affirming, and defending it, above all in facing the right wing.

In one part of the leadership there is an inclination toward political silence, toward avoidance of talks with those who do not think as they do, and toward coy and unconvincing identification with progressive ideas and the left wing, tacit disassociation of their own program. At the same time, after the successes which are certainly not the result of the activities of these kinds of fighters and heroes, quote unquote, they have made themselves most conspicuous and attributed victories to themselves to which they are not entitled. They rightly put people off and make them justifiably dissatisfied.

I therefore think that it is a good thing for the Socialist Party of Serbia to hold its congress, but it should definitely not serve as a media spectacle to justify what is not good. At this working and not festive meeting, the party should reexamine its orientations and practice and harmonize its cadre policy with these orientations.

Regarding the opposition parties, particularly those who are on the right, and especially some right-wing leaders, I would appeal to them, if the interest of peace and prosperity in the republic really is the most important one for them, to respect in their interests all rules of the parliamentary democracy which they were advocating so much and which we received by way of the Constitution and which primarily they have been violating so far. The countries that we had in mind when we were adopting the Constitution in 1990 highlight, apply, and respect these rules.

It is therefore necessary that primarily those who take these countries as an example in their own and all other endeavors to ensure that we resemble a developed civil society respect these rules. We will thereby, first of all, be protecting citizens from tensions, fear, and I would say the suffering that they are subject to in daily conflicts and threats between parties. We will therefore also be protecting young people and children from political manipulation which from time to time is so terrible that only war crimes against children are worse.

When I give priority to peace, convinced that in this sense I share the view of the citizens of Serbia, then I think that it is necessary to strive to ensure that there will be no war, not only between Serbia and someone outside Serbia, but that there will be no war in Serbia among Serbs or among the citizens of Serbia, so that there is no civil war, which is the worst kind.

I think that the danger of such a war and any conflict on this basis can be avoided in Serbia itself if our main aims are known and if those who are in favor of these aims rally around them. I assume, I hope, and I am almost convinced that I am not mistaken when I say that Serbia's aims are peace, independence, and economic and social recovery. The majority people are certainly in favor of these aims, as well as most of our young people. We can, of course, differ in the way in which these aims are achieved, but if these aims really are our common aims and if we are sincerely in favor of them it is not at all disputable or difficult to come to agreement over the way to achieve these aims.

I am not underestimating the significance of the ways and means of achieving some goal. I am not underestimating or minimizing the difficulties that could appear in the search for the best way, but I am convinced that serious, goodwilled, and honest people can nevertheless easily and even pleasantly come to agreement about everything else if their main priority and interest is the homeland and the nation, particularly when this interest is undermined. With this consciousness and this behavior, we can realistically preserve peace in Serbia and provide economic recovery for it. We can provide not only links with the world but a place and standing in the world.

This seems difficult to achieve, and of course it would be nice, but it is possible that if we rid ourselves of destruction, hatred, and the evils that are raging through our nation and society and which deprive us of time, energy, and people for what is constructive, harmonious, and good.

Serbia's enemies are certainly happy about our difficulties and are insisting on divisions in Serbia. A part of this evil and disunity is probably certainly materially and morally encouraged and constantly supported by the external enemies of Serbia. Therefore, the struggle against the destruction of hatred and evil in Serbia is the first stage in striving toward peace and prosperity in it.

The program of measures which the government has adopted for the economy and society to function under the conditions of the existing sanctions is not definite, just as the sanctions are not definite, but this program has already been subjected to derisive and I would say merciless criticism and objections, even though it has not even begun to function yet in practical terms.

At the very least, it is not constructive to exert pressure on a project which is only just beginning. This very fact best shows that in this instance this is not a case of good intentions or objections of an expert or political kind, but of the absence of goodwill and responsibility to one's own republic and fellow citizens.

It is therefore only too clear that one admittedly small part of the opposition is not motivated in its behavior to help resolve difficulties but is motivated solely by the desire to come to power, denying in principle everything that the present leadership is doing or intending to do.

I think that the opposition does not have the right to behave in this way, even under conditions of a peaceful and stable development of society, let alone in conditions that are as difficult as the present ones. Every intelligent proposal, every intelligent idea, every contribution which can serve to

eliminate the economic and political difficulties that Serbia has is essential and necessary for all of us. No one who is intelligent and feels responsibility toward society and the nation will reject them, on the contrary. This contribution must come about in conditions of cooperation, good will, and truly common, sincerely common efforts to help the republic and its citizens.

The success that has been achieved in this region in a relatively short period of time in, for example, eliminating the consequences of the catastrophic flood and in reviving and promoting the economy of this region can serve as an example and stimulus for other areas in their efforts to gain economic strength. This is why I am convinced today, as I have always been convinced, that people can be successful when they are in harmony, when they have a common interest, and when they do not find their efforts to exercise this interest difficult.

This is the basis for my firm belief in the success of this region, the success of southern Serbia, and the whole of Serbia. In this spirit, I cordially greet you. [applause]

Government Drafts Law on Public Gatherings

LD2207201992 Belgrade TANJUG in English 1849 GMT 22 Jul 92

[Text] Belgrade, July 22 (TANJUG)—The Government of the Yugoslav Republic of Serbia on Wednesday [22 July] drafted a law on public gatherings which practically legalizes the right to demonstrate and regulates conditions for demonstrating.

The new law provides the full freedom of rallying and public gathering and the police will not be able to ban public gatherings, Justice Minister Zoran Cetkovic said. The judicial bodies will determine which gatherings should be banned and the organizers will have the right to appeal, he said. The law provisions have been taken from contemporary European legislature, Cetkovic said.

The competent body will be able to temporarily ban a gathering if it determines that the gathering is aimed at the forcible changing of the constitutional order, the violation of the republic's territorial integrity, the violation of the citizens' constitutional rights or at causing national and racial hate and intolerance. It will, however, have to submit to the district court immediately a request to ban the gathering.

The local city authorities will determine the locations suitable for public gatherings as well as those areas where gatherings are not allowed, Cetkovic said.

The organizers of the public gatherings, which will require detouring traffic or additional utility costs, will have to give a deposit.

Such gatherings can be held at a certain hour and for a limited period of time, Cetkovic said and mentioned a three-hour period.